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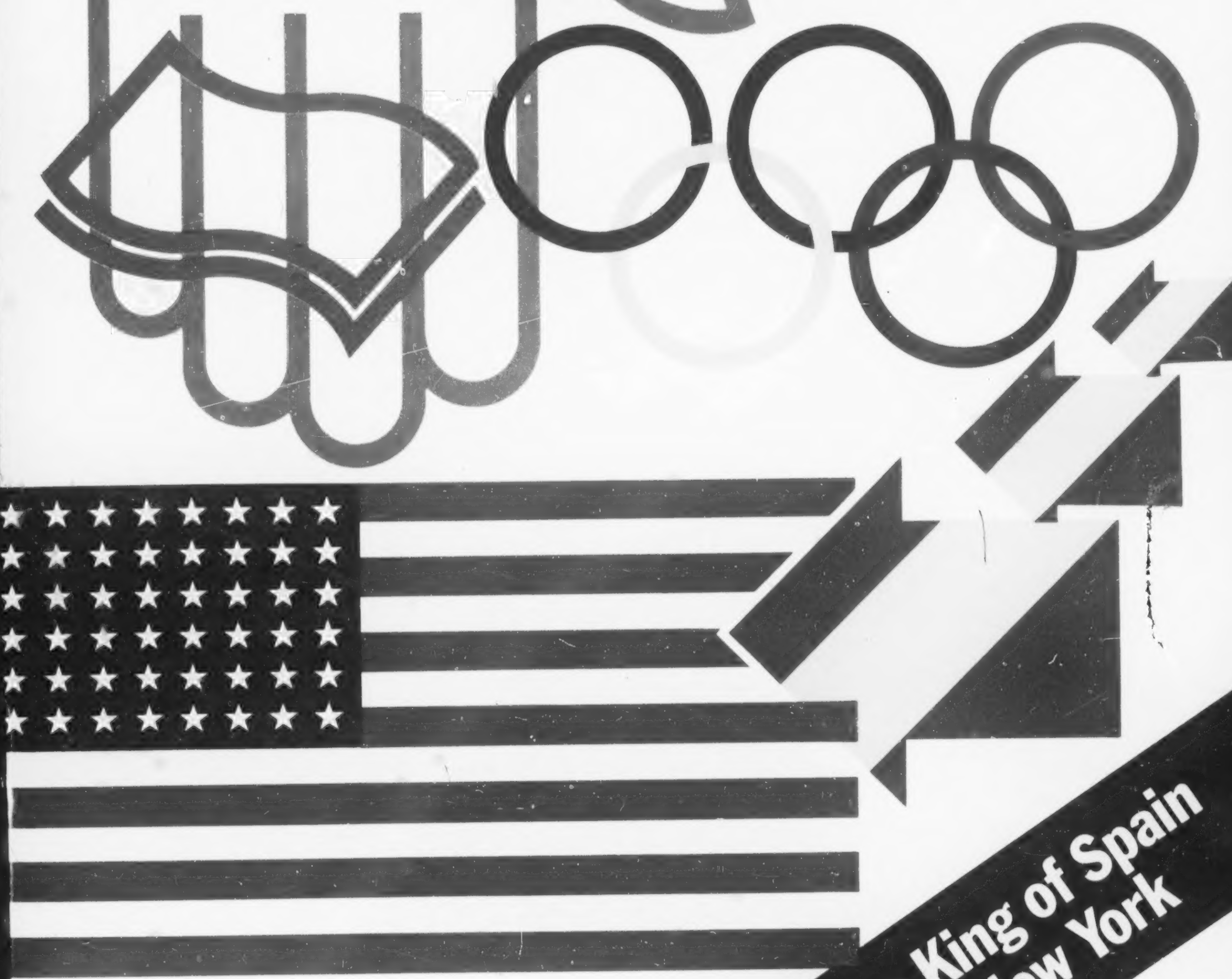

The King of Spain in New York

Fall 1986

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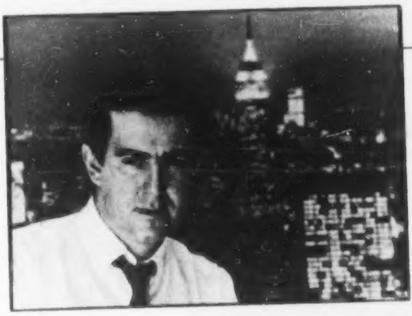
EDITORIAL



Tras el paréntesis del verano, volvemos a comparecer ante ustedes, no sin antes agradecer sus amables cartas y llamadas de felicitación por el nuevo diseño y contenido de la revista. Aún queda un largo camino por recorrer antes de darnos por satisfechos, pero nos alegra saber que desde su punto de vista, los primeros pasos de esta nueva etapa de nuestra publicación se han dado en la dirección adecuada.

Si tenemos en cuenta la escasa información que de España se tiene en los Estados Unidos, no debemos infravalorar la importancia de un medio de expresión como *The Business Link*. Son cada vez más los norteamericanos que la reciben y que a través de ella tienen un punto de contacto periódico con España.

El objeto de la SPAIN-USA CHAMBER OF COMMERCE es mejorar las relaciones comerciales entre España y los Estados Unidos. Con todo, existe una labor de fondo mucho más importante: lograr un mayor conocimiento de ambos paises entre si que vaya más allá de estadisticas, balances y porcentajes, y que abarque sus culturas y los criterios en base a los cuales piensan y actuan sus habitantes. Cuantos negocios se han frustrado y se frustran todavia por el poco conocimiento de aquellos.

Por ello, y siempre sin olvidar que el primordial objeto de esta publicación es tratar de asuntos referidos a la economia y al comercio, no descartaremos a partir de ahora la inclusión de noticias de indole no estrictamente económica como medio de aumentar ese conocimiento global.

Comercio y cultura—para muchos mundos antagónicos—han ido muy unidos a lo largo de la historia. El comercio ha sido un vehiculo de difusión de cultura, esparciendola allá donde llegaban los comerciantes con su mercancia. Además, es preciso tener en cuenta que detrás de cada actividad, por ajena que parezca a la economia, existe una vertiente comercial generadora de riqueza.

En definitiva, trataremos de abrir nuestras paginas a una mayor número de temas, y por tanto a un mayor número de lectores, logrando una revista cuya seriedad y rigor no esten reñidas con la variedad y la amenidad de los temas tratados.

Si lo conseguimos, ese será el momento de sentirnos verdaderamente satisfechos.

After the summer pause, we appear again before you most appreciative of your kind calls and letters of congratulations for the magazine's new design and content. A long way still remains before we are truly satisifed, but we are pleased that you think that the first steps in this new stage of our publication were made in the right direction.

Taking into account how little knowledge of Spain there is in the United States, we should not underestimate the importance of a medium of expression such as *The Business Link*. More and more Americans receive the magazine, and through it maintain a periodical link with Spain.

The purpose of the SPAIN-USA CHAMBER OF COMMERCE is to enhance the commercial relations between Spain and the United States. More important, however, is the goal of creating a greater awareness between both countries—an awareness not merely of statistics, balance sheets and percentages but also of their cultures and the criteria underlying the thoughts and actions of its people. Many deals and businesses have failed, and still fail, for the lack of this knowledge.

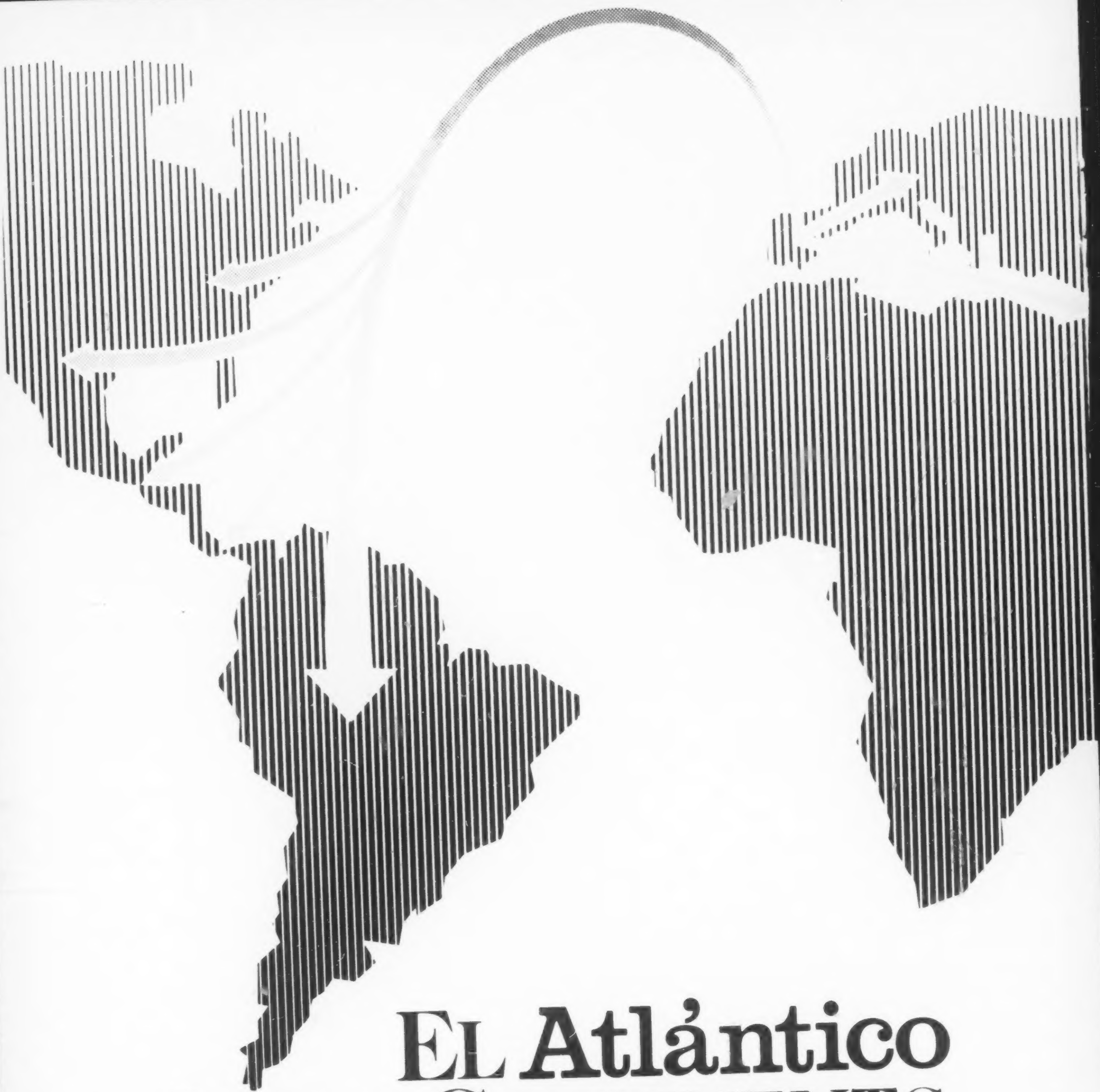
Thus, even though the principal task of this publication is to deal with economic and trade-related issues, we will not as of now exclude other news as a means of increasing that general awareness.

Trade and culture have walked hand in hand through history; commerce has always been a vehicle for the spread of culture, disseminating it wherever the merchants took their goods. Furthermore, behind every activity, no matter how seemingly remote from economic considerations, there is an underlying commercial aspect generative of wealth.

All in all, we are attempting to provide our pages with a greater number of topics and thus with a greater number of readers, while aiming for a magazine in which serious and rigor are not incompatible with the amenity and variety of the subjects treated therein.

If we succeed in doing this, at that point we could feel truly satisfied.

ANTONIO CAMUÑAS
Editor



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THE BUSINESS LINK

A Quarterly Business Review
published by
The Spain-USA Chamber of Commerce, Inc.
CAMARA DE COMERCIO ESPAÑA-ESTADOS UNIDOS
A private, non-profit American organization.

350 Fifth Avenue, New York, NY 10118
Telephone: (212) 967-2170
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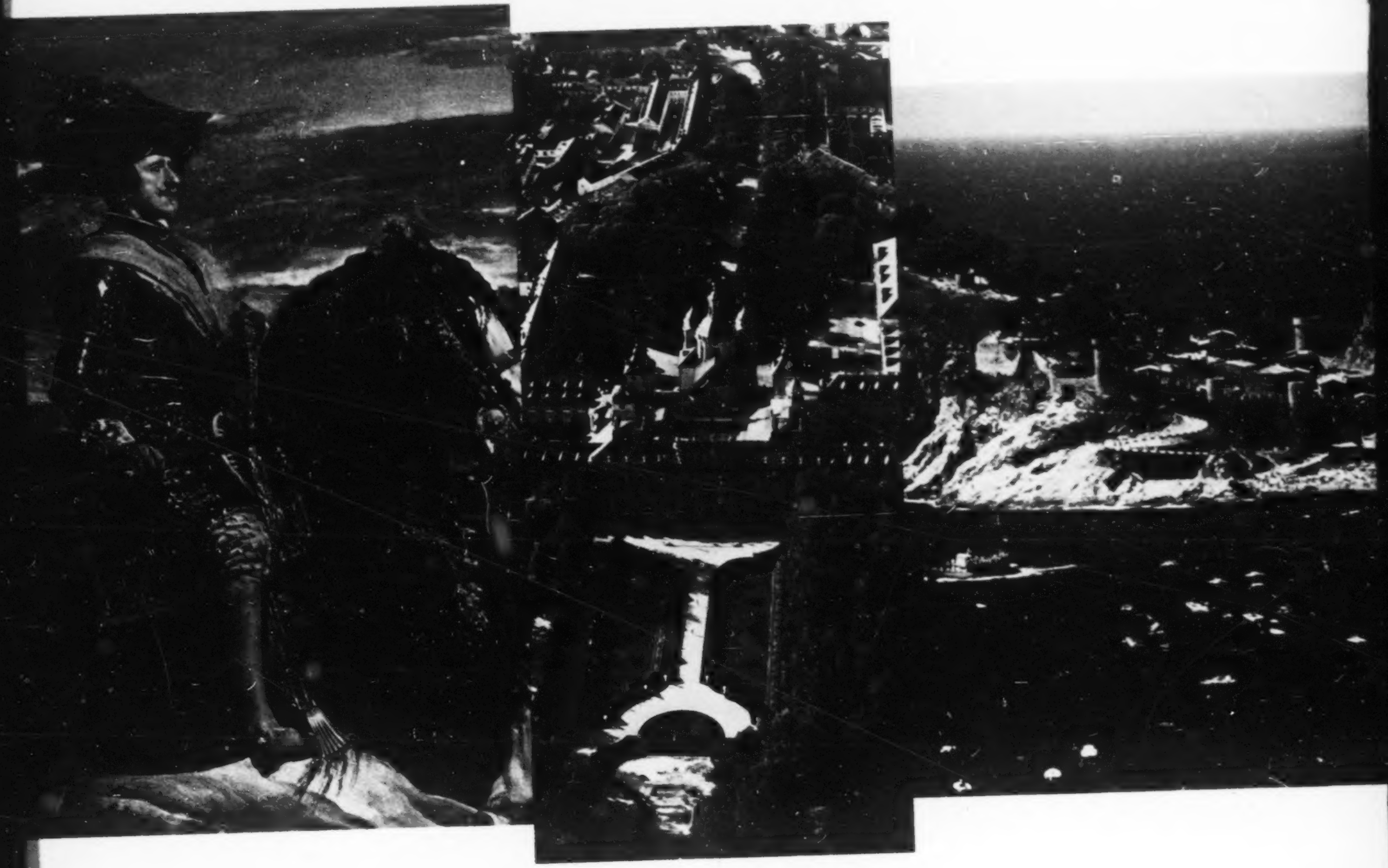
Published quarterly, copyright 1967, as a service to its members by the Spain-USA Chamber of Commerce, Inc., a non-profit organization, 350 Fifth Avenue, New York, NY 10118, telephone (212) 967-2170. Subscription rates per year: $25.00 USA and Canada, 5,000 pesetas Spain. Printed in the United States of America.

Spain invites you to share the And cooks.



Glories that began before 1100 B.C. and can still be seen in such cities as the Atlantic port of Cádiz. Kings and queens like Ferdinand and Isabella, who sponsored America's discovery and were equally avid sponsors of the arts. And cooks whose creations range from the most tantalizing of regional dishes to the sophisticated menus of some of Europe's most vaunted city restaurants. ❝From the moment we touched down, Spain was a *feast*. Visually, culturally *and* culinarily. We discovered quaint mountain villages, then relaxed in a marble-floored, incredibly reasonable suite in the most modern of beachside resorts. Directly on Spain's magnificent Costa del Sol. Whether we were ordering food, shopping or asking directions—anything to do with communicating is so easy in Spain because the people are avidly interested in helping, in getting to know you. As different as the cities and regions and beaches and history we visited were—the warmth with which we were welcomed always stayed the same. Intense!❞

—Tysen and Jamie Nutt
Irvine, Calif.

glories of her kings, queens.

“I spent five of my growing-up years living in Europe with my family. But Spain was an absolute surprise. Hemingway had it when he called Spain ‘the last country that’s itself.’ From its great traditions of art, music and architecture to skiing, climbing, dancing, café crawling and beach life, Spain is it. How to describe the people? All I can say, by comparison, is we Americans live to work. They live to *live*. Can you think of a better vacation from work?”

—Tom Nelson
Darien, Conn.

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THE CHAMBER

Sanchez Reelected as President of Chamber

OTHER OFFICERS AND DIRECTORS ELECTED.

At a June meeting of the Board of Directors of the Chamber, **JOSEPH SANCHEZ**, Vice President and Marketing Manager, Bank of America, was unanimously reelected to a third one-year term as President of the Chamber.

At the same meeting:

ANTONIO ESCAMEZ, Chairman of the Board, Banco Central of New York, was elected First Vice President;

JUAN C. CAPPELLO, Senior Vice President and Director, Government Relations, Corporate Relations and Advertising, ITT Corporation, was elected Second Vice President;

MICHAEL BENNIS, Advertising Representative, *Changing Times*, was reelected Treasurer.

MICHAEL C. GREENBERG, Partner, Graubard Moskovitz, McGoldrick Dannett Horowitz & Mollen, was reelected Corporate Secretary.

At the Annual General Luncheon Meeting of the Chamber, also in June, the following members were elected to the Board of Directors for terms of three years:

FERNANDO ALEU, President, Compar, Inc.

ROBERT BREITBARTH, Agent and Representative.

JOEL T. CAMCHE, Partner, Hallinan & Camche

JOHN E. CODINA, President, John E. Codina Co., Inc.

JOSE ENCINAS, Executive Director for U.S. and Canada, I.N.I.

ALFONSO G. ESCALERA, President, Trasatlantic Agency U.S.A., Inc.

JUAN HERNANDEZ, Price Waterhouse

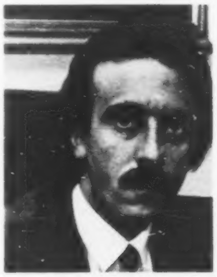
JOSE PECES PEREZAGUA, General Manager, Banco Español de Crédito, New York Branch.

FELIPE PROPPER DE CALLEJON, Vice President-International, Wertheim & Company

PEDRO RODRIGUEZ, President, Hispanidad Holidays

HUGO RUIZ, Senior Vice President, Banco Atlantico.

JOSEPH SANCHEZ, PRESIDENT



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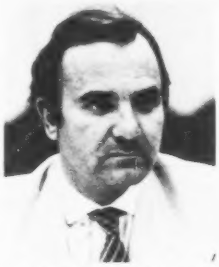

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HUGO RUIZ

Scenes at the Chamber's Annual General Meeting

One of the highlights of the Chamber year is the Annual General Luncheon Meeting, held this year at the Casa de España. It is an occasion which brings together the most active and dedicated members of the Chamber — including former presidents (photo center right) and current and former directors — to review the past and plan for the future.

LEFT: HIS MAJESTY ADDRESSES THE GENERAL ASSEMBLY OF THE UNITED NATIONS

Spain's King and Queen Visit New York

KING JUAN CARLOS I OPENS THE 41st SESSION OF THE UNITED NATIONS. ADDRESSES THE GENERAL ASSEMBLY

On Sunday, September 21st, Their Majesties King Juan Carlos I and Queen Sofia of Spain arrived for a 4-day visit to New York City and to open the 41st Session of the United Nations. At the opening ceremonies on Monday, September 22nd, the King addressed the General Assembly on the role of Spain as a European nation, as well as on the need for closer cooperation among the nations to combat terrorism.

Also at the U.N. on September 22nd, the King met with President Reagan, and on the same evening Their Majesties offered a reception at the Pierre Hotel which was attended by more than 700, including four heads of state, ambassadors and other diplomats, distinguished members of the Spanish community, and other prominent New Yorkers.

Following the reception the King hosted a dinner at the residence of Spain's Ambassador to the United Nations. Among the guests at the dinner were Vernon Walters, U.S. Ambassador to the United Nations, Javier Perez de Cuellar, Secretary General of the United Nations, Francisco Fernández Ordoñez, Minister of Foreign Affairs of Spain, Manuel Sassot, Consul General of Spain in New York, and Jaime de Piniés, former Ambassador of Spain to the United Nations.

At 10 a.m. on Tuesday, the King received Mayor Edward I. Koch of New York in his hotel suite, together with a delegation representing the Madrid-New York Sister City Program.

Excerpts from the Address of the King at the U.N.

The past decade has been marked by economic crisis, the indebtedness of important developing areas, and the reappearance of new protectionist tendencies.

The foreign indebtedness of certain nations, and among them some particularly close to Spain, is a serious problem that affects us all.

What matters today is to encourage those policies of adjustment necessary to correct domestic situations, through generosity and specfic support.

In the process of political reconstruction that has been going on for the past decade, my country has set the framework of its international position.

In 1986, it has become a member of the European Community and, after consulting the Spanish people, it has defined the terms of its continued membership in the Atlantic alliance.

Spain as Part of Europe

By joining the organizations and institutions of Western European integration, Spain only confirms what history and culture made of her since the beginning of modern times. Spain hjas always been an integral and essential part of Europe for geographical and historical reasons and through her own vocation.

Through her participation in the decision-making process of the Twelve, Spain can make her voice heard on European matters. Europe cannot give way to any temptation of self regard. On the contrary, we strive to increase the contacts and exchanges of the European Community with other parts of the world, and especially with the countries of the American continent.

Europe cannot confine itself to the cultivation of its own garden, nor content itself with the preservation of an enviable quality of life, when other regions of the earth find them selves strangled by stagnation by the diminution of international exchange and by the negative interplay of commercial and financial factors.

The Threat of Terrorism

From our position as Western allies, we contribute to common security, and as a fundamental part of this we strive to help make the dialogue between the superpowers come to fruition.

To the existing elements of concern, a new one of unsuspected scope has been added in recent years: terrorism, which preys on innocent lives, stimulates catastrophic visions and deprives citizens of peace.

Support for, and even tolerance of, terorism disqualifies any state as a member in good faith of the international community.

The Spanish Government has repeatedly declared itself in favor of intensifying international cooperation against this universal scourge. The unanimous and unequivocal condemnation of terrorism, in whatever form, by the Assembly last December, doubtlessly constitutes a hopêful step, which should be followed by concrete and effective measures of international cooperation.

ABOVE — THEIR MAJESTIES WITH PRESIDENT REAGAN.

RIGHT — KING JUAN CARLOS I WITH (TOP) FRANCISCO FERNANDEZ ORDOÑEZ, SPAIN'S MINISTER OF FOREIGN AFFAIRS, (CENTER) FORMER AMBASSADOR OF SPAIN TO THE U.N. JAIME PINIES, AND (BOTTOM) EDWARD KOCH, MAYOR OF NEW YORK.

BELOW — FERNANDO MORAN, SPAIN'S AMBASSADOR TO THE UNITED NATIONS, WELCOMES THE KING AND QUEEN AT THE ENTRANCE TO HIS RESIDENCE.

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EL NUEVO GOBIERNO, CON LOS REYES. *De izquierda a derecha, Carlos Romero (Agricultura), Luis Carlos Croissier (Industria), Javier Solana (Cultura y portavoz del Gobierno), Virgilio Zapatero (Relaciones con las Cortes y Secretaría del Gobierno), Abel Caballero (Transportes), Joaquín Almunia (Administraciones Públicas), Javier Sáenz Cosculluela (Obras Públicas), José Barrionuevo (Interior), Julián García Vargas (Sanidad), Alfonso Guerra (vicepresidente), Felipe González (presidente), Narcís Serra (Defensa), Carlos Solchaga (Economía), José María Maravall (Educación), Francisco Fernández Ordóñez (Asuntos Exteriores), Manuel Chaves (Trabajo) y Fernando Ledesma (Justicia).*

Nuevo Gobierno González: Pocos Cambios

El pasado 25 de Junio el Presidente del Gobierno anunció a la opinión pública la composición de su nuevo cabinete, en el que se han producido pocos cambios respecto del anterior. Al frente del área económico continua Carlos Solchaga, mientras que el hasta ahora Presidente del INI, Luis Carlos Croissier, sustituye a Joan Majó en la cartera de industria. El área de comercio sigue dentro de Economía, sin consumarse el paso a Industria y Energía tal y como se especuló durante tiempo.

ECONOMIA Y HACIENDA:

Carlos Solchaga

44 años. Anterior Ministro de Industria, pasó a ocupar esta cartera con ocasión de la dimisión de Miguel Boyer, de quien adoptó la política iniciada por éste.

Entre sus logros destacan la lucha contra la inflación, reducción de tipos de interés, el acuerdo de crecimiento empresarial por debajo de los precios, liberalización del mercado interior.

Principales temas en cartera:

- Reducción del déficit público.
- Economía sumergida.
- Reforma de la empresa pública.
- Reducción coeficientes obligatorios.

Nació en Tafalla (Navarra). Es licenciado en Económicas.

INDUSTRIA Y ENERGIA:

Luis Carlos Croissier

35 años: de Las Palmas de Gran Canaria. Ex Presidente del INI. Fue subsecretario del departamento que ahora preside como miembro del equipo del entonces Ministro de Industria Carlos Solchaga. Principal inspirador del programa electoral del PSOE en 1982, y por tanto conoce de cerca los planteamientos del Proceso de Reconversión Industrial.

Como presidente del holding estata, ha sido un claro defensor de la política de saneamiento empresarial. Principales temas en cartera:

- Plan de Energía Nuclear (PEN).
- Plan Electrónico e Informático Nacional (PEIN).
- Plan de Energías Renovables.

Es el ministro más joven del actual gabinete. Graduado en Ciencias Económicas por la Universidad Complutense (Madrid). Graduado por la Sorbona de Paris.

WASHINGTON NEWS — **NOTICIAS DE WASHINGTON**

By LORENZO GONZALEZ

Trade Barriers: Here, There and Everywhere?

THE PASSING OF THE TRADE BILL, H.R. 4800, WOULD ENDANGER INTERNATIONAL COMMERCE

Very few times in the history of this country has an issue such as the trade deficit been so much aired and heatedly discussed. Because of its impact on the balance of payments and the trade deficit and contribution to slowing economic growth, this will be an important issue in the near future. Political events like the coming congressional and later presidential elections will cloud the economics involved and we may lose the real perspective and fail to find the proper remedy for the problem.

Congress is taking the subject of reforming trade legislation as one of its top priorities and is putting a lot of pressure on the Administration, which is resisting the avalanche with good reasoning, arguing that the problem can be resolved by making use of present legislation. Some spokesmen for this country claim that theirs is the most open market in the world. In fact, most probably, the United States has neither more nor fewer restraints than any other major developed country.

There is a certain rather well-founded belief on the part of the Administration that protectionist legislation will engender similar legislation from other countries, thus leading the way to an autarchic system and a world recession. There are, on the other hand, a few long-standing protectionist measures in the United States. Let's review some of the most significant:

The Buy American Act of 1933 gives preference to domestic bidders for Federal Government business. In order to succeed, foreign bidders have to submit offers with prices between 6% and 50% below their domestic rivals. When the U.S. accepted the GATT Procurement Code it waived Buy American legislation for major purchases, but not for all; and Congress has slipped this clause into many appropriation bills (1985 Defense Stockpile Act, 1983 Urban Mass Transportation Act).

So far six states have Buy American legislation, and 32 have product-specific regulations.

Tariffs. In spite of the tariff cuts of the Tokyo rounds, the U.S. retains more tariff peaks than other major industrialized countries. The greatest concentration is in the field of textiles.

Steel. The U.S. steel industry, as in many other countries, is going through a difficult period. In 1982 the Administration negotiated an arrangement with the European Communities restricting European exports of most carbon steel products to the U.S. market. In 1983 quotas and higher tariffs on specialty steel imports were imposed. In 1984 the so-called "Voluntary Restraint Agreements" were negotiated with other major suppliers, including Spain.

Textiles. Like other industrialized countries, the United States basically controls imports of textiles and apparel from less developed countries by bilateral quota agreements under the Multifiber Arrangement. In 1984, further restraints were placed unilaterally by issuing new rules of origin.

Import Relief. During the last few years the Administration has given temporary import relief to various industries, including motorcycles color television sets.

There has been in the past year an ever-increasing flow of bills providing for more strict regulations in anti-dumping cases and for countervailing duties against subsidized imports. Now we have one bill in Congress which establishes the possibility for U.S. industries of suing for compensation.

The number of antidumping and countervailing cases is staggering, and the number of investigations of cases involving import injury, antidumping, countervailing duties and unfair export practices reached to the hundreds in 1985.

I must say for the sake of objectivity that Spain has fared rather well. We had no antidumping or countervailing duty investigations in 1985, and so far this year only the ongoing investigation regarding porcelain-on-steel cooking ware (although for both dumping and subsidy). This case shows clearly how the system can lead to misuse and abuse. In the United States there is only one producer of porcelain-on-steel cooking ware, General Housewares Corp., which for many years has had some difficulties and whose final goal is obviously to get everyone else out of the local market. At the end of the Carter Administration, General Housewares obtained some import relief, which end in 1984 because the Administration considered that there was no reason to maintain that relief. Since then, making ujse of the possibilities of the law, which includes the concept of accumulative injury, General Housewares has petitioned investigative cases against the People's Republic of China, Mexico and Taiwan. After Spain, they will probably go for Japan, another important exporter of these products, in order to secure a practical monopoly of the U.S. market. This will be done against the interest of the consumer, who will have to pay more for less quality.

To make a long story short, we can say that the number of unfair trade cases brought by U.S. firms against imports has increased dramatically over the past two or three years.

In agricultural trade, the U.S.

LORENZO GONZALEZ ALONSO is Spain's Commercial Counselor in Washington, D.C.

PRESIDENT RONALD REAGAN: "THE BILL WILL HARM U.S. INTERESTS."

authorities have been insisting on the need for greater liberalization. However, the United States has operated for 30 years a highly protective import arrangement in those agricultural sectors where it does not have a competitive advantage (sugar, meat, dairy products, wheat). The United States also restricts meat imports and imposes quotas when supplies threaten disturbance of the domestic market. Although for dairy products and sugar the U.S. acts under the general waiver from the GATT's Agricultural Trade Rules, this general waiver was intended to be temporary; yet it has remained in force and unchanged since it was secured in the 1950s as a condition to the establishment of the GATT.

Furthermore, the cost of the U.S. farm price support program over the past for years has been in the neighborhood of $863 million, without taking into account other subsidies.

In spite of this array of subsidies and trade bonuses, the U.S. manufacturing and agricultural sectors keep lobbying for greater protection for U.S. products, not taking into consideration that old saying, "what is sauce for the goose is sauce for the gander,"—that more pressure on foreign imports will produce immediate and justified retaliation from other countries.

To complicate the picture, the coming congressional elections in November, and in the longer run the presidential elections, have converted trade legislation into a favorite subject in the House and Senate. On May 22nd the House approved H.R. 4800, *The Trade and International Economic Reform Act of 1986*. As is well known, this omnibus Trade Bill is a very partisan Democratic trade bill. In the House, where Democrats have a majority, the strategy has been to pass a tough Trade Bill and send it over to the Senate in order to put the Senate Republicans in the position of having to respond to the House Bill, which in its current form would be vetoed by the President, as he has already announced. In the meantime, the Senate has been working on trade legislation, with one alternative to the House Bill and several sectorial Bills in the making.

The most objectionable provisions of H.R. 4800, as it passed on the House floor, are the following, in a very brief review:

- Section 301 includes the notion that the United States should retaliate against countries which do not comply with requests by the U.S. to grant greater market access for its goods and services, including telecommunications. The GATT does not allow for recourse to retaliation simply because a contracting party does not obtain what it wants in terms of improved access in a particular sector.
- The Bill includes in its definition the provision of goods and services in terms inconsistent with commercial considerations. Under the GATT subsidies can only be subjected to countervailing duties if they are sector-specific and result in costs being borne by the government concerned. Consequently, any modification of U.S. law in the sense proposed by the Bill would apparently be in contradiction with the obligations of the United States Government as a signatory to the Code.

> ***"More pressure on foreign imports will produce immediate and justified retaliation from other countries."***

- The incorporation of the concept of a resource input subsidy into U.S. countervailing duty law should be considered with extreme caution. It is widely thought that the issue of natural resource subsidies and removal rights goes beyond the scope of the GATT's Code on Subsidies and Countervailing Duties. We think that extending the countervailing duty laws to deal with a wider range of trade problems covered under Article VI of the GATT will not solve them. Most probably the adoption of this proposal would force the major trading partners of the United States to adopt similar provisions against U.S. exports, as for example regulated natural gas prices.
- The amendments proposed with regard to input of diversionary dumping are inconsistent, in our view, with GATT's Article VI and Antidumping Code, which defines dumping as any difference between the normal value and export prices of like products. Any antidumping action against finished products because of an incorporation of inputs which are alleged to have been dumped in a third country market is principally contrary to the GATT and its Antidumping Code.

Besides, a proposal has been made to extent private rights of action for damages caused by dumping. This action is not foreseen in the GATT or the Antidumping Code.

- The Bill makes it mandatory for the International Trade Commission, in determining injury, to cross-cumulate the impact of imports if these have been subject to separate anti-dumping and countervailing duty investigations. We believe that injury arising from subsidization and dumping should be kept strictly separate. Under the GATT both dumping and countervailing are perceived to be entirely separate notions, subject to different codes which set forth different rules and procedures to correct unfair trade practices.

These questions, as well as some others which we will refrain from considering, make the House Omnibus Trade Bill inconsistent with the Administration's trade policy as announced by President Reagan in September 1985. This is why the President has made public his intention to veto it unless it is substantially modified. We have to wait for the final alternative legislation from the Senate, which probably will be less stringent, and for the final draft of the conference between Senate and House.

At present it is unlikely that this legislation will be considered by the Senate before the November elections, and by then circumstances might have changed, especially if the Democrats gain a majority in the Senate. Thereafter we may see some sort of trade Bill enacted before the end of the present year. □

THE U.S. IN SPAIN

Reginald Bartholomew Appointed United States Ambassador to Spain

On July 15th, Reginald Bartholomew was appointed the new United States Ambassador to Spain. Mr. Bartholomew was previously the American Ambassador to Lebanon. He recently declared in the Senate that Spain plays a "very positive role" in NATO.

Miguel Sebastia, Executive Director of the Chamber, recently met in Madrid with Ambassador Bartholomew, who, in a very interesting conversation, expressed his interest in and support of the work of the Chamber.

Reginald Bartholomew was sworn in as United States Ambassador to Spain on August 20th, 1986. A career member of the U.S. Senior Foreign Service, he was U.S. Ambassador to Lebanon from October 1983 to May 1986. In 1982-1983 he served as Special Advisor to the Secretary of State and Special Negotiator, with the personal rank of Ambassador, for defense and economic cooperation negotiations between the United States and Greece. In 1981-1982 he was the Special Cyprus Coordinator with the Department of State, and in 1979-1981 he served as Director of the Bureau of Politico-Military Affairs as an Assistant Secretary of State.

Ambassador Bartholomew was assigned to the National Security Council in 1977-1979 as head of the East-West Relations and USSR and Eastern European Cluster. In 1977 he served as senior Deputy Director in the Bureau of Politico-Military Affairs and from 1974 to1977 as principal Deputy Director of the Policy Planning Staff of the State Department. From 1968 to 1974 he served in the Department of Defnese.

He received a B.A. from Dartmouth College in 1958 and did graduate study in Political Science at the University of Chicago, receiving an M.A. in International Relations in 1960. He is a member of the Council on Foreign Relations and the International Institute for Strategic Studies.

Ambassador Bartholomew was born in Portland, Maine, in 1936. He and his wife, the former Rose-Anne Dognin have four children.

REGINALD BARTHOLOMEW PRESENTS HIS CREDENTIALS TO KING JUAN CARLOS I.

E.C. Council Approves Accord with U.S. on Semifinished Steel

The European Community Commission signed an agreement with the United States on July 15th setting quotas for Community exports of semifinished steel to the U.S.

The quotas will be included in the 1982 E.C.-U.S. Carbon Steel Arrangement, which was extended last year to September 30, 1989. Both parties agreed to drop the unilateral measures and countermeasures they imposed in a dispute over the issue.

The United States last December limited semifinished steel exports from the European Community to 400,000 net tons a year from January 1, 1986 to September 30, 1989. The E.C. responded by imposing quotas on U.S. fertilizer, animal fats and coated paper.

The new agreement sets export ceilings for E.C. semifinished steel products as follows:

Period	Total Net Tons	Of which: Slabs
1986 (July 2 to Dec. 31)	300,000	272,500
1987	620,000	565,000
1988	640,000	585,000
1989 Jan. 1 to Sept. 30)	502,500	461,250

In addition, the U.S. will continue to allow British Steel Corporation to export 200,000 tons of semifinished steel a year to a steelmaking plant in Tuscaloosa, Alabama.

The E.C. Council of Ministers approved the steel agreement in principle July 9th. It decided to apportion semifinished steel shipments to the United States as follows: Federal Republic of Germany, 50%; France, 14.5%; the Netherlands, 15%; Belgim and Luxembourg, 13%; United Kingdom, 4.5%; Italy, 3%. The Commission signed the accord after all 12 member states gave final approval to that arrangement on July 15th.

Semifinished steel was previously a "consultation product" under the Carbon Steel Arrangement—that is, a product that could be discussed if shipments to the U.S. increased significantly.

—EUROPEAN COMMUNITY NEWS

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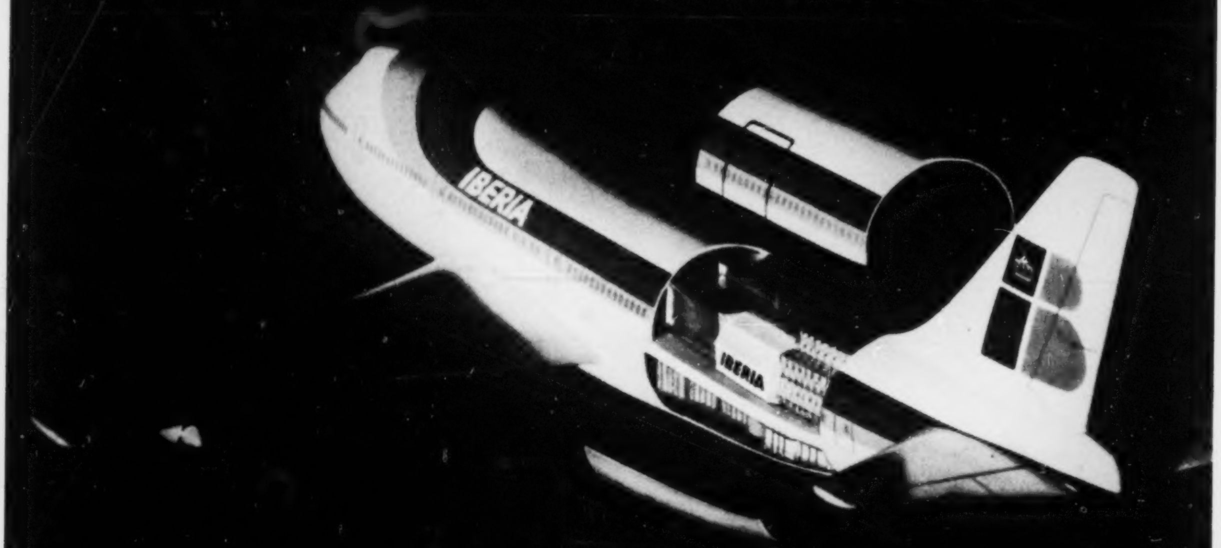

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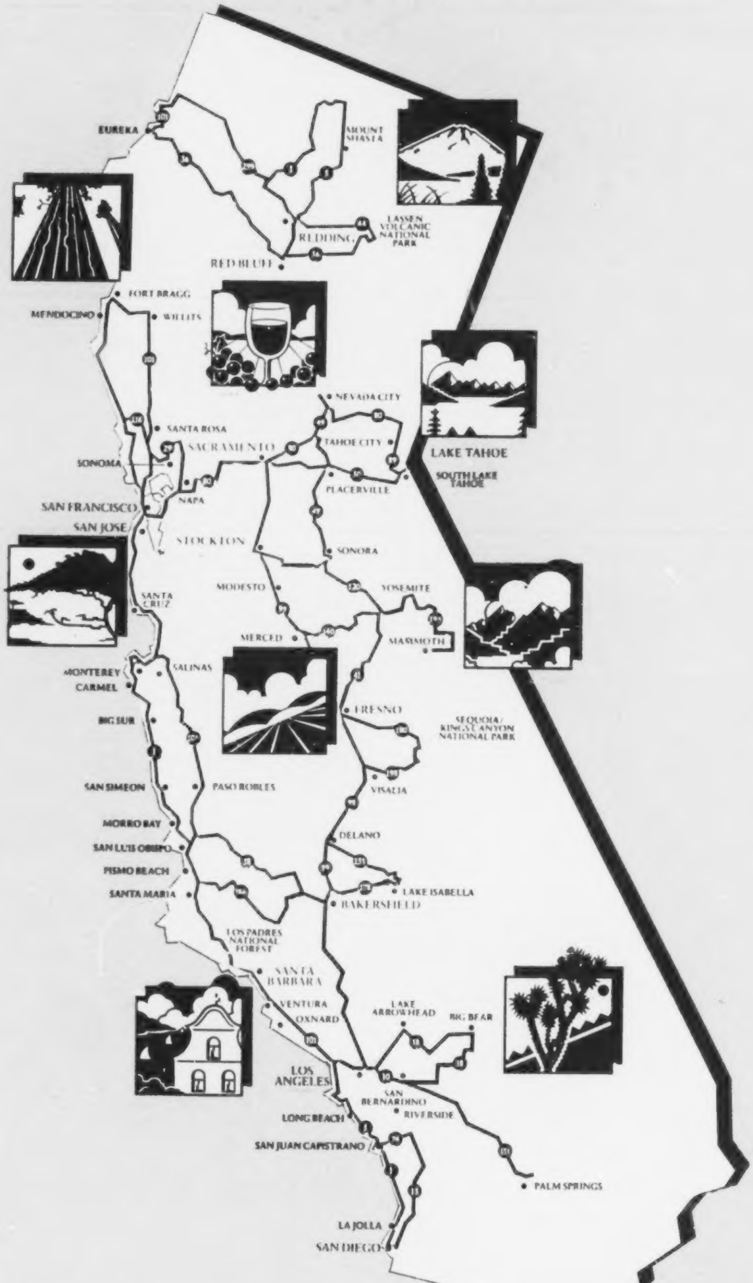
USA—ESTADO POR ESTADO

Por JUAN CARLOS LLOPART

California

APROXIMACION A LA QUINTAESENCIA DEL "AMERICAN DREAM"


EUREKA
MOUNT SHASTA
LASSEN VOLCANIC NATIONAL PARK
REDDING
RED BLUFF
FORT BRAGG
MENDOCINO
WILLITS
NEVADA CITY
SANTA ROSA
SACRAMENTO
TAHOE CITY
LAKE TAHOE
SONOMA
SOUTH LAKE TAHOE
PLACERVILLE
NAPA
SAN FRANCISCO
SAN JOSE
STOCKTON
SONORA
MODESTO
YOSEMITE
SANTA CRUZ
MERCED
MAMMOTH
MONTEREY
SALINAS
CARMEL
FRESNO
SEQUOIA/ KINGS CANYON NATIONAL PARK
BIG SUR
SAN SIMEON
PASO ROBLES
VISALIA
MORRO BAY
DELANO
SAN LUIS OBISPO
PISMO BEACH
SANTA MARIA
LAKE ISABELLA
BAKERSFIELD
LOS PADRES NATIONAL FOREST
SANTA BARBARA
VENTURA
OXNARD
LAKE ARROWHEAD
BIG BEAR
LOS ANGELES
SAN BERNARDINO
RIVERSIDE
LONG BEACH
SAN JUAN CAPISTRANO
PALM SPRINGS
LA JOLLA
SAN DIEGO
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120
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ESTADO MITICO, CASI REMOTO, situado a 5 horas de vuelo de Nueva York y a 13 de Europa, California se ha convertido en una gran potencia industrial no solo a nivel regional dentro de los Estados Unidos, sino también a nivel global en el mundo. En el se encuentra la quintaesencia del sueño americano, y, con una sociedad tremendamente innovadora y creadora de nuevas tendencias, es la gran ventana abierta a nuestro futuro, y no sin razón los americanos lo denominan "Golden State" o estado dorado.

HISTORIA

La colonización Californiana empezó con la llegada de Fray Junipero Serra y los misioneros franciscanos, que en 1764, englobados en una expedición española al mando de Gaspar de Portola, fundan una misión en lo que luego seria la ciudad de San Diego. En total se fundaron 21 misiones, situadas todas ellas entre la ciudad de San Diego y la de Sonoma. Fray Junipero no solo trajo consigo la enseñanza de una nueva religión, sino también nuevas técnicas de construcción y agricultura que fueron rapidamente asimiladas por los pueblos nativos.

A partir de ese momento empieza realmente el asentamiento de los españoles en California. En 1770 se crea Monterrey como capital de la Alta California; en 1776 un grupo de 193 españoles fundan la misión Dolores y junto a ella se establece un presidio en una bahia natural cercana que denominan San Francisco; y en 1781, de una pequeña base de abituallamiento entre centros de poblacion, se crea, por un grupo mixto de 46 indígenas y españoles, el pueblo de Nuestra Señora de los Angeles, más tarde la ciudad de Los Angeles.

Los españoles desaparecen de la escena política californiana con la llegada del siglo XIX, debido a la ocupación francesa de España, dandose paso a una breve presencia mexicana (1822-1848) que termina con la anexión de California a los Estados Unidos.

Comienzo del desarrollo. La fiebre del oro.

Solo entonces, con la llegada másiva de colonos americanos anglosajones, comienza su desarrollo económico, ya que, ese mismo año un trabajador de una serreria en el American River, al descubrir pepitas de oro en un canal de desagüe, desencadenó la llamada fiebre del oro o "Gold Rush", que en los siguientes 4 años atrajo a la región más de 100.000

buscadores de fortuna.

Ante el crecimiento desmesurado de la explotación minera, San Francisco empieza a adquirir la configuración de una metrópoli, con el establecimiento de los primeros bancos y las primeras fábricas; nacen en aquel momento productos tan conocidos como los "jeans" o vaqueros, fabricados con un nuevo tejido ultra resistente confeccionado por Levi Strauss.

En 1850 el Congreso de los Estados Unidos vota la admisión de California, convirtiendose en el estado número 31 de la Unión. La capital administrativa quedó establecida en San José para después pasar a su enclave definitivo, Sacramento (1854).

GEOGRAFIA, CLIMA Y POBLACION: EL PARECIDO CON ESPANA

Con una extensión de 411.015 Km², equivalente aproximadamente al 80% del territorio español, California se extiende entre los paralelos 32 y 42 de latitud norte, sobre la costa oeste de Estados Unidos, limitando al norte con Oregón, al sur con la frontera mexicana, al oeste con el Pacífico con 1.200 millas de costa) y al este con Nevada y Arizona.

California cuenta con:

1. Un clima envidiable; por ejemplo, Los Angeles goza de una temperatura media de 25° grados centigrados en verano y 18° grados centigrados en invierno.
2. Una fisonomía tremendamente cambiante: desiertos en el interior del estado, donde, a pesar de las elevadas temperaturas, existen puntos poblacionales de importancia como Palm Springs que emerge como un oasis en medio del desierto, playas interminables abiertas todo el año importantes cadenas montañosas que van paralelas al mar y donde se puede practicar deportes de invierno, y fertiles valles donde, junto con la zona costera, se centra la actividad económica.

California cuenta con el pico más alto de Estados Unidos, Mount Whitney, a 14.495 pies sobre el nivel del mar, y el punto más bajo del hemisferio occidental, Death Valley, a 282 pies bajo el nivel del mar.

3. Una fauna, tanto terrestre como marítima, que ofrece una tremenda variedad: condores, jaguares, águilas, osos, ciervos, focas y delfines, y la espectacular migración anual de las ballenas que descienden desde el Pacífico norte a sus cálidas aguas para dar a luz a sus crias.

LOS ANGELES ES LA SEGUNDA AREA METROPOLITANA EN IMPORTANCIA DE LOS ESTADOS UNIDOS.

La población total del estado a primeros de 1986 era de 26.6 millones de habitantes (11% del total de Estados Unidos), con una densidad poblacional de aproximadamente 170 habitantes por milla cuadrada y una tasa de natalidad muy superior a la española, que según los últimos datos suministrados por la Comunidad Económica Europea fue de 5.6 nacimientos cada 1000 habitantes. Actualmente la población californiana esta creciendo a un ritmo equivalente a doble del índice nacional americano.

En el siglo que siguió a 1860 la población se ha duplicado 5 veces, o el equivalente de una vez cada 20 años. En los últimos 25 años este crecimiento no ha sido posible debido a la gran base poblacional de la que se parte actualmente y el hecho de que, comparativamente, la emigración y el índice de natalidad han descendido. Sin embargo, se estima que la población sera de 27.5 millones para 1990, con un incremento de 16% en la década 1980-90, y se espera rebasar los 30 millones para el año 2000.

Simplemente en el trienio 1986-88, según Bank of America, se espera que un millón de personas provenientes de otros paises y otros estados de la Unión, fijen su residencia en California.

La población es predominantemente blanca, con una importante presencia de hispanos (fundamentalmente de origen mexicano), seguida en menor escala de asiáticos (chinos, japoneses, filipinos, coreanos y refugiados del sudoeste asiático) y en último lugar de negros, siendo la población autóctona muy reducida. California se ha caracterizado siempre por ser una sociedad muy abierta y cosmopolita donde toda raza u origen es bien aceptado, y donde se valora su aportación a la base poblacional del estado. Las mayores concentraciones se detallan a continuación.

Ciudad	Millones de habitantes (1986)
Area del gran Los Angeles	12.7
Area del gran San Francisco	5.7
San Diego	2.1
Sacramento	1.3
Fresno	0.6

La capital administrativa del estado es Sacramento, y los mayores centros financieros son el área del gran Los Angeles, la segunda área metropolitana en importancia de los Estados Unidos, detrás de Nueva York. El área del gran San Francisco ocupa el quinto lugar en la lista de áreas metropolitanas estadounidenses.

Un factor a analizar, de gran importancia para los españoles es la gran población de origen hispano del estado, estimada en unos 6 millones de personas, siendo a principio de 1986, tan solo en el área de Los Angeles de 3.4 millones de habitantes. Sin embargo estos cálculos son de difícil comprobación, debido al índice de trabajadores ilegales que cruzan la frontera entre México y Estados Unidos. Se estima que en 1986, simplemente en el área fronteriza de San Diego serán capturados y deportados 800.000 trabajadores mexicanos que cruzaron la frontera ilegalmente desde Tijuana, México.

La permeabilidad de esta frontera se explica por la conveniencia para ambas economias: por un lado Estados Unidos consigue mano de obra barata y, por otro México consigue eliminar excedentes poblaciones y dar salida al fuerte desempleo que experimenta, asi como el hecho de que ambos paises desarrollan una floreciente economía fronteriza.

A pesar de la fuerte presencia de la población de origen hispano en California, donde el español es un idioma comúnmente hablado, su presencia no se manifiesta a todos los niveles del proceso productivo, ya que normalmente realizan trabajos

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duros y escasamente retribuidos, por lo que tienen un nivel adquisitivo inferior a la media del estado.

SISTEMA DE GOBIERNO

California esta organizada administrativamente con 3 poderes, ejecutivo, legislativo y judicial, siempre manteniendose la dualidad de administración federal y administración propia del estado.

La cabeza del poder ejecutivo es el gobernador que es elegido por sufragio universal por un periodo de 4 años.

El poder legislativo esta representado por dos cámeras:

1. El Senado, compuesto de 40 miembros elegidos por sufragio universal por 4 años, aunque cada 2 años es necesario renovar la mitad de la cámara.
2. La asamblea de representantes compuesta de 80 miembros elegidos por sufragio universal cada 2 años.

El poder judicial tiene su cabeza en el Tribunal Supremo, existiendo, no obstante, 3 niveles inferiores.

a. La corte de justicia municipal;
b. La corte superior;
c. La corte de apelación de distrito.

LA ECONOMIA CALIFORNIANA EN CONTINUA EXPANSION

1986 es el 4° año consecutivo de expansión de su economía. En esta última decada, después de la fuerte recesión experimentada entre 1981-1982, y se espera que esta recuperación se extienda al menos hasta 1988. En 1984 se alcanzó un crecimiento record de 8.4% y las previsiones para 1986 son del 4.2%, revisables a la alta después de la reciente caida del precio del petróleo (comparese con las previsiones de crecimiento de la economia española de 3% en 1986).

El producto estatal bruto en 1985 fue de 490.100 millones de dólares y se espera que en 1986 rebase los 527.000 millones de dólares. Si por un momento pensamos en California como un pais independiente, solamente 5 naciones le superarian en términos de producto nacional bruto, siendo uno de ellos el propio Estados Unidos, asi mismo el área del gran Los Angeles se colocaria en 10° lugar en este ranking ficticio. Según la revista *The Economist*, la economia california se colocara en 4° lugar del mundo a finales del siglo XX.

California y Los Angeles, tomados individualmente, se situarian por delante de paises de India, México, Australia o España.

Su renta per capita es de las 5 mayores de Estados Unidos, totalizando, a principios de 1986, 15.734 dólares, casi 3 veces superior a la española. Su renta familiar media fue de 44.000 dólares en 1985, siendo el poder adquisitivo de sus habitantes 17% superior a la media estadounidense y 30% superior a la de Europa Occidental.

La población activa supera los 13 millones de habitantes, siendo la población empleada de 12.3 millones de personas, y el desempleo a principio de 1986 fue de 6.7%, inferior a la media americana, y reduciendose desde la cota de 9.9% en 1982 (comparese con el 22% de desempleo alcanzado en nuestro pais en 1985). El desempleo a finales de 1986 alcanzara una media de 6.8% y en 1987 se reducira hasta el 6.5%.

En 1985 se crearon 335.000 nuevos puestos de trabajo, mientras que tan solo en los primeros 4 meses de 1986 se han creado otros 100.000 puestos adicionales y las previsiones para el resto de 1986 es que se creen 378.000 puestos adicionales, mientras que en 1987 se preveen 428.000. En 1984, el 15% de todos los puestos de trabajo no agricola generados en Estados Unidos, lo fueron en California, y a nivel de creación de empleo global, se estableció un record de aumento porcentual con un 6.1%, sobrepasando el de la nación que quedaba en 4.5%.

Por otra parte, la inflación esta contenida en el 4% (piensese que el indice del alza de los precios en España fue del doble en 1985), y según Bank of America, las previsiones para finales de 1986 son de una inflación acumulada del 2%, mientras que en 1987 sera de 3.5%.

EL ESTADO LIDER EN COMERCIO EXTERIOR

California es el estado lider en comercio exterior entre los 50 estados de una nación como Estados Unidos que tan solo el 5% de la población mundial, produce el 22% de todos los bienes industriales fabricados en el mundo y que a su vez es el mayor exportador mundial en términos globales.

California es asimismo una puerta abierta hacia Asia, ya que es la entrada natural a Estados Unidos de los productos provenientes de paises asiáticos. Un 75% de las importaciones totales californianas provienen de aquellos paises, mientras que un 55% de sus exportaciones los tienen como destino, siendo Japón su primer socio comercial. Las relaciones comerciales con Japón suponen el 37% de todo el comercio que pasa por los puertos californianos, absorviendo el 23% de las exportaciones californianos (por ejemplo, casi la mitad de los productos agricolas exportados por este estado van a parar a Japón), y siendo el origen del 45% de todas importaciones. El hecho de que actualmente, las importaciones californianas del Japón superen 3 veces y media la cifra de las exportaciones de California a aquel pais asiático, es sin

Pais	PNB 1984 en miles de millones de dólares
1. Estados Unidos	3.744,7
2. Unión Soviética	1.733,3
3. Japón	1.233,2
4. República Federal de Alemania	613,9
5. Francia	487,1
California	***450,3***
6. Reino Unido	426,7
7. Italia	348,4
8. Canadá	336,7
9. República Popular China	309,0
Area del gran Los Angeles.	***220,3***
10. Brasil	209,9

Fuente: Los Angeles Chamber of Commerce

PRINCIPALES INDICADORES ECONOMICOS DE CALIFORNIA

Concepto	4 primeros meses 1985	4 primeros meses 1986	Cambio porcentual
Población (millones)	26.1	26.6	2.0%
Empleo (miles)	12.022	12.260	2.0%
Desempleo	7.1%	6.7%	-0.4%
Renta personal (millones dólares)	395.000	419.000	6.0%
Renta per capita (dólares)	15.145	15.734	6.0%
Inflación	322.9	335.7	4.0%
Ventas minoristas	38.200	40.700	6.5%
Permisos construcción (anual)	244.000	281.000	15.2%
Venta viviendas	361.612	396.700	9.7%
Construcción no residencial (millones dólares)	2.730	2.730	0%
Prestamos bancarios (millones dólares)	37.987	38.034	0.1%

Fuente: California Chamber of Commerce

embargo un factor que procupa a las autoridades del estado.

Otros socios asiáticos de importancia son Taiwan, Hong Kong, Corea del Sur, Singapur y Malasia, que tomados en conjunto alcanzan un volumen equivalente a un cuarto de todas las importaciones y exportaciones californianas. Otros paises que destacan son Australia, Canadá y México. Entre los socios comerciales europeos, es necesario mencionar, por orden de importancia, a la República Federal de Alemania, con un comercio global de 4.000 millones de dólares en 1985, que refleja un aumento del 25% respecto a 1984, Reino Unido, Francia e Italia. Sin embargo Europa occidental tan solo representa aproximadamente un 10% del comercio exterior californiano.

EL COMERCIO ENTRE CALIFORNIA Y ESPAÑA en 1985 fue de 336.2 millones de dólares, siendo las importaciones californianas de España de 172.8 millones, y las exportaciones a España de 163.4 millones de dólares. A pesar de que España cuenta con un pequeño superavit comercial a su favor de 9.4 millones de dólares, el volumen de negocio alcanzado entre ambas partes es muy bajo, siendo, por ejemplo, 12 veces inferior al existente en el comercio bilateral entre California y Alemania Occidental, lo que hace pensar que existe un gran desconocimiento mutuo de las posibilidades comerciales que ambas partes ofrecen, y por tanto, un importante potencial de desarrollo de las relaciones bilaterales.

Los principales productos exportados por California, en orden de importancia, son: Maquinaria y equipo mecánico; maquinaria y equipo eléctrico; equipo óptico y fotográfico y instrumental científico; productos de la industria aeronáutico y aeroespacial, principalmente aviones comerciales; algodón y petroleo y gas natural. Hay que resaltar que al menos la mitad de los productos de alta tecnologia californianos se venden en el exterior.

1986 ES EL CUARTO AÑO CONSECUTIVO DE EXPANSION Y CRECIMIENTO DE LA ECONOMIA CALIFORNIANA.

Las materias primas son uno de los productos más exportados, dando lugar al fenómeno curioso de que muchos de los productos finales fabricados con dichas materias primas, tienen como destino final el mercado estadounidense. Por ejemplo, en 1985 California exportó 1.100 millones de dólares en fibra textil, e importó a su vez 2.500 millones de dólares en prendas confeccionadas.

Asimismo, hay que hacer notar que California exporta un tercio de su producción agrícola, aunque ello no suponga más que el 11% del total de sus exportaciones. Los productos agricolas más exportados en 1985 fueron las frutas y las nueces con 941 millones de dólares, sguidas de la carne con 531 millones de dólares.

En el campo de las importaciones, destacan en orden de importancia: Maquinaria y equipo eléctrico; maquinaria y equipo mecánico; vehiculos de motor; confección; petroleo; gas natural y productos conexos; equipo óptico y fotográfico e instrumental científico; armas de fuego; aleaciones metálicas.

Hay que resaltar, que la maquinaria y equipo mecánico y la maquinaria y equipo eléctrico, representan, tomadas conjuntamente, más de la mitad tanto del flujo de importaciones como de exportaciones.

Para finalizar este analisis del comercio exterior californiano indicaremos que existen 4 zonas francas en el territorio aduanero californiano: San Francisco, San José, Oakland y Long Beach, con una subzona en San Diego.

DISTRIBUCION GEOGRAFICA DEL COMERCIO EXTERIOR POR CIUDADES

Ciudad	Importaciones	Exportaciones
San Francisco	29.2%	39.3%
Los Angeles	67.4%	56.0%
San Diego	3.4%	4.7%

INVERSIONES ESPAÑOLAS EN EL MERCADO CALIFORNIANO

Aunque escasa, son significativas en algunos sectores tales como: el vinicola, con inversiones de Codorniú, Freixenet y Torres; alimentación con Carbonell, Maria Angustias Amador Martín (Flan Duhl) y Cuetara; aeronáutica (C.A.S.A.); maquinaria-herramienta (Maquinaria Lagún y Guztiok'Bat); confección y grandes almacenes (El Corte Inglés y Loewe); agencias de viajes (Viajes Marsans y Viajes Ecuador); y banca (Banco Exterior de España, Banco Central y Banco de Vizcaya), contandose asimismo con las oficinas de Turismo y de Iberia.

PENETRACION DEL MERCADO CALIFORNIANO: La representación comercial como alternativa a la inversión directa

El consumidor californiano tiene unas caracteristicas especiales que le deferencian del resto de los consumidores americanos, ya que tiene:

1. Una de las rentas per cápita más alta de Estados Unidos.
2. Más años de educación recibida por habitante (el estado invierte 3.300 dólares de media por alumno y año).

PRINCIPALES SOCIOS COMERCIALES CALIFORNIANOS EN 1985

(Valores expresados en miles de millones de dólares)

País	Exportaciones	País	Importaciones	País	Total
Japón	7.5	Japón	27.8	Japón	35.2
Canadá	3.1	Taiwan	6.7	Taiwan	8.1
Australia	3.0	Corea del Sur	4.2	Corea del Sur	6.8
Corea del Sur	2.7	Canadá (*)	3.0	Canadá (*)	6.1
México	1.9	Hong Kong	2.8	Alemania Federal	4.0
Singapur	1.7	Alemania Federal	2.7	Hong Kong	4.0
Reino Unido	1.6	México	1.7	Australia	3.7
Taiwan	1.5	Singapur	1.5	México	3.5
Alemania Federal	1.3	Malasia	1.3	Singapur	3.2
Hong Kong	1.2	Reino Unido	1.1	Reino Unido	2.7

Fuente: Security Pacific National Bank, International Trade Database
(*)= 1984

3. Mayor indice de consumo de artículos de lujo.
4. Mayor indice de propiedad de la vivienda familiar.
5. Mayor consumo de productos de nueva creación.
6. Consumo más alto de productos para la casa, jardin, barco y coche.
7. Debido a la gran propensión del californiano al deporte, cuenta con el consumo más elevado de articulos deportivos de Estados Unidos.

Debido a lo competitivo de este mercado, es necesario afrontarlo con la preparación debida, siendo un estudio de mercado particularizado para cada producto que se intente comercializar, una necesidad para el éxito del exportador español en California.

Un segundo paso, es establecerse en el estado através de un agente-representante, un distribuidor o un importador.

En un tercer estado, y, en función de los resultados obtenidos en la etapa anterior, es conveniente pensar en la posibilidad de establecerse permanente en California, bien sea con una oficina de ventas propia, o bien, através de un "joint-venture" con una empresa americana del mismo sector. Para ello se pueden aprovechar los programas de ayuda al exportador, financiados por el Instituto Nacional de Fomento a la Exportación (INFE), que permiten el establecimiento de un punto de ventas en el exterior, através de una ayuda económica que cubra parcialmente el alquiler de oficinas, el salario del personal contratado, y el transporte y almacenamiento de mercancias. Este tercer estado en la comercialización de un producto en Norteamerica se justifica, no solo por un mejor acceso al mercado, sino también por la marcada tendencia de las empresas y consumidores americanos de suministrarse de empresas ya establecidas en el país y evitar, por tanto, todo el papeleo que conlleva la importación de un producto.

PRINCIPALES PRODUCTOS EN EL COMERCIO EXTERIOR CALIFORNIANO

(Valores en millones de dólares)

EXPORTACIONES	1985
Productos animales y vegetales	3.382
Madera y papel	741
Fibras textiles y productos conexos	1.298
Productos quimicos	3.861
Petroleo, gas natural y conexos	1.401
Minerales no metálicos	555
Metales, maquinaria y equipo transporte	18.516
Maquinaria y equipo mecánico	7.941
Maquinaria eléctrica	5.664
Equipo de transporte	3.355
Otros	4.041
Equipo óptico, fotográfico, cientifico	2.649

IMPORTACIONES	1985
Productos animales y vegetales	3.448
Madera y papel	1.139
Fibras textiles y productos conexos	4.133
Confección	2.528
Productos quimicos	2.322
Petroleo, gas natural y conexos	1.586
Minerales no metálicos	948
Metales, maquinaria y equipo transporte	39.775
Maquinaria eléctrica	14.860
Maquinaria y equipo mecánico	9.506
Equipo de transporte	11.679
Otros	9.842
Equipo óptico, fotográfico, científico	2.545
Calzado	1.509
Productos deportivos, juguetes	1.753

Fuente: Security Pacific National Bank, International Trade Database

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NATIONAL TOURIST OFFICE PAGE

By PANCHO SHIELL

Expo-92: Getting Ready for the Future

AN INNOVATIVE AND AUDACIOUS MASTER PLAN HAS BEEN ADOPTED FOR THE GREAT 1992 UNIVERSAL EXPOSITION AND CELEBRATION

The past, the present and the future are all coming together in Sevilla as the city begins preparing for the colossal commemoration of the 500th Anniversary of one of history's most significant events, the Discovery of America. The celebration will be the **Exposición Universal Sevilla 1992**, which in itself will be a historic event with far-reaching world participation and attention. Furthermore, the site of "Expo-92" will live on as a vital and permanent component of the city of Sevilla.

In an international competition to collect design ideas for the EXPO-92 site on Cartuja Island, twelve teams of architects, engineers and urban planners, selected for their worldwide prestige and achievement, presented their proposals to the Organizing Committee in June. The results of the competition have been announced by the Commissioner General of Spain for the Universal Exposition. First prize and gold medal have been awarded jointly to a Spanish team headed by José Antonio Fernández Ordoñez, a professor of engineering based in Madrid, and an Argentine-born New York architect and industrial designer, Emilio Ambasz. Second prize and a silver medal went to Vittorio Gregotti of Milan, a professor of architecture. The master plan, incorporating elements of all three proposals, has been finalized and work is already under way.

EXPO-92 will open on April 20, 1992 (the day after Easter Sunday) and culminate with a ceremonial flourish six months later on October 12th, exactly a half-millenium after Columbus first set foot on American soil. With its grand theme of "The Era of Discovery," the Exposition will display a broad spectrum of man's discoveries, explorations and achievements with respect to himself, his planet, and the universe, in the dimensions of past, present and future.

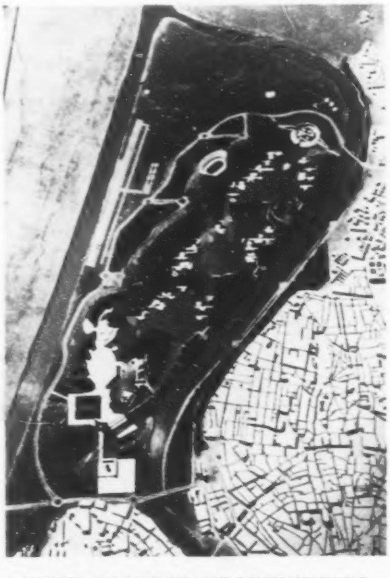
EXPO'92
SEVILLA

The EXPO-92 logotype is a bright red sphere circumscribed by a network of yellow lines representing the network of communications and transportation now covering the earth.

EXPO-92 is a "first-category universal exposition," the highest classification of the International Bureau of Expositions, the intergovernmental agency which regulates all international expositions and world fairs.

EXPO-92 will occupy 531 of the 1,038 acres of vacant public land on Cartuja Island, formed by two branches of the River Guadalquivir, which flows through the heart of Seville toward the Atlantic. The brilliant master plan will transform the island, which is now largely barren, into what will be not only an extraordinary exposition site but later a magnificent permanent park for Seville.

Keynotes of the plan are water, landscaping and shade. Within the island of Cartuja itself, a series of lagoons will be created on which most of the temporary pavilions of the Exposition will be floated, on interconnected and anchored barges. This concept allows great flexibility for the size and positioning of the individual pavilions, as well as for variability in the more than 80 nations, corporations and organizations expected to participate.



A MODEL OF ONE OF THE PRIZE-WINNING PROPOSALS FOR THE EXPOSITION SITE ON CARTUJA ISLAND IN SEVILLE.

The lagoons will also serve as thoroughfares for boats which will transport the estimated 22 million visitors around the Exposition efficiently and pleasantly. The grounds will also be interconnected by walkways and malls, and visitors will also be able to walk to "mainland" Sevilla. The earth removed to form the lagoons will be used to create three luxuriantly landscaped hills, providing natural shade and an architectural backdrop for the permanent theaters and auditoriums which will be part of a magnificent Culture Center, and for a complete Sports City, including an olympic stadium, sculptured into one of the hills.

Thousands of shade trees will be planted and irrigated by water channels comparable to those in the Jardin de los Naranjos in Sevilla's Alcázar. A fine and unnoticeable mist of cool water, sprayed over vine-covered arbors, will help make the island as much as 8 degrees cooler than the city.

Cartuja Island has a special symbolic importance, for it was in the Carthusian monastery *(Cartuja)* of Santa Maria de las Cuevas, which for centuries has been the only building on the island, that Columbus discussed with monks his plans for the Discovery Voyage and in which he lived for eight years before departing on his fourth and final expedition to America. The first tree transplanted by Columbus from the New World, a *zapote*, still grows in a courtyard of the monastery and Columbus' remains were first buried there. The monastery will be restored and become part of the Exposition, housing Spain's royal and government pavilions.

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SPAIN

By JUDITH GLYNN

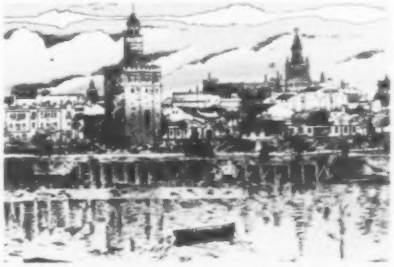
Shopping in Seville

SEVILLE IS GEARING UP FOR 1992, BUT THERE ARE PLENTY OF COLOR, FUN AND BARGAINS RIGHT NOW.

Seville! Land of castanets, flamenco guitars, and ladies in ruffled dresses on horseback at the Seville Fair—all are familiar images. The products sold there also reflect the color, craftsmanship and artistry of one of Spain's most beautiful cities.

Long a favorite of tourists and Sevillianos, but slipping in past years, Sierpes Street near the Cathedral is making a comeback in style. Some of the better shopkeepers are opening shops there again, but an old standby who never left was Sevillarte (formerly Ceramicas Sevilla). The family-run business manufactures reproductions of 14th to 18th century enamelled plates trimmed in 24K gold. Each piece is a limited edition and completely painted by hand. Prices range from $10 to around $60. One of Spain's finest jewelers working in gold is Ignacio Muñoz located at Sierpes, 63. His collection of precious and semi-precious stones is dazzling.

Castanets and guitars (and toe-tapping flamenco music) can be bought at Casa Damas right next door to Ignacio's. For the very finest in Spain's giftware, especially R. Isart's gold-trimmed crystal pieces, stop in a Elena Bernel's shop at Sierpes, 58.



In this view of Seville from the Guadalquivir River, the Torre de Oro and the Giralda Tower can be seen—two famous Seville landmarks dating from the 12th century.

Another famous Seville shopping street is Tetuan. There you can find Yanko men's shoes for approximately $65. Right across the street, and a new addition to the Seville shopping scene, is Los Pequeños Suizos. Topnotch in fashion and quality, this store, also located in Madrid, is a favorite because it carries half sizes. Juan Foronda at Tetuan, 28, sells hand- and machine-made embroidered shawls to cover shoulders on chilly Spanish nights. A Sevilliana flamenco dress costs approximately $185, which isn't inexpensive—but it will be one of a kind. The store also carries an excellent assortment of leather goods, name-brand designer men's ties, and mantillas.

And one of the best stores to buy leather handbags is Bolsos Casal at Tetuan, 17. Actually there are five Casal stores located throughout Seville, since they are all owned by relatives. The Tetuan shop has a marvelous back room where the mark-downs and bargains of all-leather purses are a steal at $18 or so.

There is a very special shop in Seville not to be missed. Las Hilanderas is located at Plaza Nueva, 13, in the interior of the galeria. The lovely owner has filled her pigeon-holed store with antiques and set up the franchise of a Madrid shop. The embroidery is exquisite handwork artesania. You can purchase a small fringed hand towel for $25 or two linen sheets with matching pillow cases for $235, or have yourself measured for made-to-order lingerie.

The Seville Town Hall has recently opened "El Postigo," a handicraft center located at Calle Arfe, right near the Cathedral. The two levels have small cubicles for artisans to work and sell their products. Some of the items are wrought iron lanterns, painted tiles, bronze sculpture, leather goods and jewelry. The prices are very reasonable and supporting these craftsmen keeps tradition alive.

Often overlooked opportunities for shopping sprees are the numerous fairs held in Seville year. For example, from April 8th to 13th you can buy antiques; beauty and fashion from September 19th to 22nd; and regional artesania and popular costumes from December 6th to 14th.

Some of those artisans have shops open all year long. El Caballo at Adriano, 14, sells riding, hunting and sports accessories. Fundición Marvizón at Polígono El Pino, parcela 3-A, makes and sells wrought iron works, as does Artesania Salcedo located at Candilego, 2 - Cuesta del Rosario, 16 depdo., Carretera de Carmona, 15 y 17. These products are extremely popular with American tourists, the Seville Tourist Office claims. Crisarte, S.L., located at Santuario de la Cabeza, 157, makes beautiful stained glass panels. And if you are looking for a handcrafted guitar, Francisco Barba at Arroyo, 20, may have what you need.

If you can't wait for the fairs and you would rather browse than visit shops, there is something for everyone at the outdoor flea markets. Seville is no exception. Every Sunday at Alameda they come from miles away to display their wares. Another market is held on Thursdays at Feria Street.

If you visit Seville during warm weather, remember to do your shopping in the mornings when it is cooler. Save the afternoons for a long lunch and evenings for a lovely stroll through the city. □

JUDITH GLYNN is an American living in Madrid. She recently completed a brochure, "Shopping in Spain's Catalonian and Valencian Communities," for the Spanish Government.

This is the second in a series of articles on shopping in Spain that she is writing for our publication.

In addition to being an accomplished journalist, Ms. Glynn has first-hand knowledge of Spanish products and manufacturers, and has therefore been able to make a natural transition to the import/export field.

If you are interested in a personalized introduction to Spain and its import/export possibilities, Ms. Glynn can be contacted through her U.S. offices. Call, write or Telex her at:

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Note: Transportation to complete this article was provided by Iberia Airlines of Spain. Also, this article would not have been possible without the generous assistance of the Chambers of Commerce of Valencia, Alicante and Castellón, as well as the National Tourist Office of Spain.

COMERCIO EXTERIOR

Por JOSE R. VELASCO

Estrategias de exportación a USA.: No se las deje en casa

EL ESTUDIO DE MERCADO, INSTRUMENTO BASICO PARA EVITAR ERRORES Y APROVECHAR LOS PUNTOS FUERTES DE NUESTRO PRODUCTO

CUANDO el fabricante español se plantee la necesidad de exportar al "mercado" por excelencia: U.S.A., debería analizar cual sería la estrategia adecuada. En efecto, tendría que estudiar los condicionantes siguientes:

—Si posee la mentalidad y vocación necesarias.

—Si su producto tiene algún punto fuerte.

—Si está dispuesto a avanzar por el camino de la continuidad.

La respuesta ha de ser cauta, pues debe observar con detenimiento la fuerza que acompaña a su propósito.

Nuestras empresas precisan exportar, necesidad que se ha ido haciendo imperiosa hasta convertirse en un objetivo inaplazable. Hay que hacer esfuerzos en mercados estables, y de ellos U.S.A. es el mayor y el más importante. El repaso de las magnitudes estadísticas del país así nos lo confirma.

Llegados a este punto, queremos anunciar que los comentarios que vertimos en este escrito están soportados por varios años de trabajo analizando el mercado, fijando las estrategias adecuadas y, lo más importante, promocionando, distribuyendo y vendiendo productos españoles. En consecuencia, y con la experiencia por bagaje, queremos hacer especial hincapié en los condicionantes que exponíamos al principio.

Decíamos que el empresario español que quiera exportar a U.S.A. debería tener la mentalidad y la vocación necesarias, con ello queríamos indicar que ante un proceso que puede ser largo y costoso, se tenía que poseer una verdadera voluntad exportadora dentro de la debida mentalización.

Desgraciadamente, la imagen que se tiene de España y de sus productos en U.S.A. es oscura, cuando no folklórica. Por ello debemos efectuar acciones serias, que den idea de continuidad y que estén alejadas del sistema de "guerilla" del que llega, empieza y desaparece; o del que sólo intentaba situar un "stock" sobrante.

En cuanto al producto, deberíamos establecer si tenemos algún punto fuerte; si realmente tenemos producto y no sólo un producto bien resuelto, con buena relación precio-calidad, sino además dentro de las especificaciones, usos y características del mercado americano.

Nuestros empresarios tienen una buena creatividad y tecnología, han sabido resolver problemáticas difíciles con medios escasos, lo que les sitúa en una buena posición ya que las soluciones sencillas y económicas tienen buena aceptación.

JOSE R. VELASCO, profesional con una dilatada experiencia en el mercado norteamericano, es el Presidente de ARTING SPECIALTY TRADE INC., compañia con oficinas en Barcelona, Miami y Nueva York y dedicada a la introducción y gestión de productos españoles en el mercado de EE.UU.

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En consecuencia, tenemos que situarnos en la plataforma adecuada de trabajo y prepararnos de forma que la acción de exportar no se convierta en una aventura. Por ello, es necesario realizar un estudio "in situ" del producto a exportar. Es necesario conocer:

a) Las condiciones de mercado que infuyen respecto del producto.
b) Los canales de distribución más adecuados y las posibilidades alternativas.
c) Concreción de precios de acuerdo con la información recibida.
d) Diseño y calidad. Pulsando la opinión del mercado y su respuesta a las cualidades del producto ofrecido.
e) La competencia del mercado y sus concurrentes con la búsqueda de catálogos y precios de la competencia.
f) El estudio de los aranceles y de la legislación vigentes para su importación, autorización de venta u homologación de los productos.
g) El resultado de una acción directa de promoción y venta del producto en unas determinadas áreas y niveles encaminada a la obtención de pedidos, o a conocer de forma concreta porqué no se obtienen.
h) La repuesta, si fuera posible, que correspondería a la presencia del producto en una de las ferias especializadas de U.S.A.

El estudio propuesto ha de efectuarse de forma pragmática para obtener resultados fiables. Tiene que sugerir acciones concretas y marcar estrategias apropiadas, debe estar alejado de lo anecdótico y lo macroestadístico que a nada conduce. Pero ¿Cómo obtener esta información de modo fiable? No es fácil. El empresrio tiende a hacer viajes que le conecten con la realidad U.S.A. Esta es una acción positiva, pues con ello se percibe el atrayente aroma del mercado y se aprecia su enorme interés.

El problema estriba en la falta de tiempo, en la oportunidad de los contactos, en la muestra insuficiente y, en cierto modo, en el rechazo que el americano tiene al "Hombre de la Maleta" por la precariedad y la falta de continuidad de su esfuerzo. Además la información obtenida adolece de falta de fiabilidad, ya que no corresponde a una acción debidamente arropada con la presencia del producto en el mercado.

La mejor estrategia consistiría en trabajar sobre nuestro objetivo base, es decir, si nuestro objetivo es vender, lo que deberíamos hacer es intentarlo y obtener en este trabajo la verdadera información fiable que nos sitúe en la puerta real de acceso al mercado. Asimismo, obtendríamos todas las informaciones anexas que mencionábamos y que es necesario conocer.

Arting Specialty Trade Inc., efectua este trabajo real en las áreas de Florida, New York y California a través de sus propios equipos. Las conclusiones lógicas que se desprenden del trabajo son la posibilidad de éxito que tiene el producto, si hay que efectuar cambios o de reinventarlo, o si no se debe insistir ya que no se tendria posibilidad alguna.

Finalmente, entramos en el capítulo de la continuidad. Así nos preguntamos: ¿Cómo conseguir implantarse en el mercado U.S.A.? La única respuesta válida es presencia en el mercado y continuidad en las acciones positivas emprendidas. No es suficiente realizar viajes de toma de contacto con posibles compradores, para más tarde regresar a casa. Hay que quedarse en el mercado, hacer un seguimiento del producto a introducir, y tratar, sobre todo, de no incrementar su costo evitando figuras intermedias que no aporten el producto más que el costo derivado de su comisión.

El coste anual minimo de una filial en U.S.A. puede ser del orden de 200.000 ó 300.000 dólares USA., costo al que hay que añadir el proporcional a las ventas.

Estas cantidades no suelen estar al alcance de la mayoria de empresas españolas, pero hay varias alternativas. Por ejemplo: Los franceses son los inventores del "Baby Sitting", que consiste en una Sociedad instalada en U.S.A. que se encarga de todas las formalidades administrativas, y le procura una oficina, teléfono, telex, un servicio de secretaria y, en general, ayuda a la empresa en la entrada en el pais en su proyección de venta. Este servicio, que resulta menos caro ($25,000 aproximadamente), permite adquirir un conocimiento exacto de las posibilidades de un determinado producto antes de realizar una inversión de costo considerable, y es a la vez más efectivo que viajar de vez en cuando a U.S.A. o de encontrar un importador.

A través de sus propias estructuras, nuestra compañia está desarrollando un programa similar al francés, pero que contempla la gestión total de promoción, venta, y situación de "stocks" en sus almacenes por aproximadamente la mitad de ese costo, per percibiendo comisión sobre las ventas efectuadas.

Sea cual sea el sistema mediante el cual se quiera abordar el mercado, se deberia comenzar por un estudio en el que se nos dijera cómo hacerlo, además de hacer nuestro propio examen de conciencia con el fin de conocer la propia preparación.

La empresa española debe incluir en sus objetivos la venta y promoción exterior. Sin embargo, exportar a U.S.A. no es fácil. Por esa razón, y en según que casos, algunos exportadores experimentados se han establecido en el propio mercado e importan y distribuyen directamente sus productos consiguiendo resultados notables. Estos no han hecho sino imitar a empresas que les precedieron en el éxito.

De todo lo mencionada se desprende que el exportador que quiera vender en U.S.A. deberá realizar un gran esfuerzo. Como contrapartida, el mercado americano es, como decíamos, el MERCADO en mayúsculas, con una casi ilimitada posibilidad de expansión para las empresas españolas.

No nos resta más que pedir al exportador español que actúe con pragmatismo, que prescinda de lo hechos anecdóticos, que promocione y venda sus productos, y que esté dispuesto a hacer un esfuerzo similar al que hizo para implantarse en otra región de España. De hacerlo así puede triunfar en U.S.A. y vender sus productos en el mercado más grande, estable, y mejor del mundo.

SPANISH STOCK EXCHANGE

Stocks Soaring in Spain

THE MADRID STOCK EXCHANGE INDEX WAS UP 73% FROM JANUARY 1st TO JUNE 27th

The exceptional performance of the Spanish Stock Exchange, particularly during 1986, merits special attention. As at June 27th, the Madrid Stock Exchange index had risen by about 73% with respect to January 1st, considering rights issues and dividend payments.

There are a number of reasons why portfolio investment on the Spanish Stock Exchange is likely to continue to provide high returns, following the 40.7% and 35.8% increase in the overall index (excluding dividends) during 1984 and 1985.

This in part reflects the improvement in overall performance of the Spanish economy. Lower inflation at around 8%, the steady improvement in the balance of payments on current account, and a substantial turnaround in the growth of business profits (43.5% increase during 1985) are factors the positive impact of which are deemed to be more than conjunctural.

Against this favorable background it is also important to consider that stock exchange prices are still undervalued by international standards. Prices at year end 1985 were still lower than their 1974 levels, a notable exception when compared to other countries. As of the end of June 1986, the average price-earnings ratio is about 14, well below the average for the other major stock exchanges. Dividend yield is around 5%, as compared to an international average of about 3.0%. There is therefore considerable upside potential over the longer term following the growing internationalization of Spanish capital markets.

As far as liquidity is concerned, during the past couple of years there has been a sizeable increase in turnover. In 1985, turnover on the Madrid Stock Exchange, for example, increased by 79% to more than 11 billion dollars, in relation to an average capitalization of 37 billion dollars. Turnover attributable to foreign portfolio investment over the past three years has increased by 7.5 times and now accounts for about 7% of total turnover.

There are important reasons why it is expected that liquidity should improve further:

- Pending pension fund legislation will soon be enacted in Spain, providing a major stimulus to national savings and institutional investment. It is expected that the breadth and depth of the Spanish Stock Market will benefit substantially as a result.
- Continuous trading is also scheduled to commence after the summer vacations on a number of selected issues. This should also lead to an abolition of maximum and minimum margins set for daily variations, currently 5%, and hence lead to a smoother and more efficient market.
- Finally, another positive factor to consider is the overall expectation as to further declines in interest rates which would favor equity securities.

NUEVOS MIEMBROS • NEW MEMBERS

Baurs-Krey Associates, Inc.

UN HOMBRE POLIFACETICO SE INCORPORA A LOS SOCIOS DE LA CAMARA

Parecería imposible que tuviera tiempo para atender todas las actividades que lleva entre manos, y sin embargo Detlev Baurs-Krey asegura que aún le sobra tiempo para muchas más, mientras sonrie tras la mesa en sus recién estrenadas oficinas de la quinta avenida.

Abogado y Economista en Alemania, Ministro Plenipotenciario y representante en las Naciones Unidas de San Marino, Profesor de Universidad, destacado deportista, Baurs-Krey asegura que su firma "Baurs-Krey Associates" sigue queriendo ampliar horizontes para su negocio de Consulting a compañias extranjeras sobre como hacer negocios en Estados Unidos.

Piensa que España es un pais de gran potencial de desarrollo, y que cada vez seran más las empresas que intenten la "aventura americana". Su negocio es aconsejarlas en su estrategia de introducción en Estados Unidos, y hacer de "baby-sitter" quedando Al cuidado de sus intereses en norteamerica. "Muchas empresas," declara Baurs-Krey, "no tienen entidad suficiente para establecerse por si mismas en un mercado tan competitivo y tan costoso como este. Nosotros podemos asesorar su aproximación al mercado, ahorrando mucho dinero a aquellas que no estan capacitadas para establecerse todavia. Aquellas que si lo estan, pueden delegar en nosotros su gestión diaria, sus estrategias de marketing etc."

Su especialidad radica en el area farmaceútica. Recientemente fundó "Thermasckan", una compañia con intereses en equipamientos médicos y medicina preventiva que pronto obtendrá licencia de comercialización de un medicamento por ella descubierto.

Hombre de grandes conexiones politicas, su condición de Ministro Plenipotenciario de San Marino para Economia, Industria y Comercio, y de Representante de este pais en la ONU, le hacen viajar continuamente entre Europa y Estados Unidos, alternando viajes de negocios con misiones diplomáticas y económicas de la pequeña república Europea.

Como profesor de la Universidad Francisco Marroquin, donde enseña finanzas internacionales, Baurs-Krey viaja 3 veces al semestre a Guatemala, lo que le permite tener un conocimiento de primera mano de la realidad hispanoamericano.

Aparte de su conocimiento personal de las posibilidades de negocio actualmente existentes con España, las opiniones favorables de Brigitte Foulke una de sus más estrechas colaboradoras acabó por convencerle de que tras el ingreso en el mercado común, España entraba en una nueva etapa que no se podía desprovechar.

Baurs-Krey piensa que asociandose a la Cámara se incrementarán sus posibilidades de hacer negocio con España. Nosotros no pensamos defraudarle. ☐

BAURS-KREY: "EN ESTE VIDA HAY TIEMPO PARA TODO."

BANKING

Banco Central Authorized to Issue Commercial Paper in the United States

FIRST RANKING SPANISH BANK, 46th IN THE WORLD

Moody's Investor Services and Standard & Poor's, U.S. rating agencies, have granted Banco Central, S.A., Madrid, Spain, a P-1 and an A-1 rating respectively for the issuance of commercial paper. These ratings place Banco Central at the level of the world's most prestigious banks and allow it to issue commercial paper in the United States, a market previously closed to Spanish banks.

In addition, Banco Central was ranked first among Spanish banks in a list of the 500 largest banks in the world, based on consolidated equity, which was published in the June issue of *Euromoney* Magazine. The bank's world ranking rose from number 69 in 1984 to number 46 in 1985.

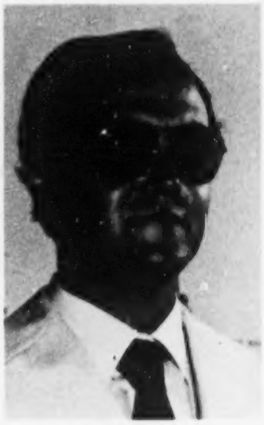
Among Spanish banks, Banesto follows Banco Central, ranking 64th, followed by Banco de Santander, 124th, Bilbao, 126th, and Vizcaya 133rd. Banco Hispano Americano, Banco Exterior and Banco Popular Español are 164th, 180th and 231st respectively. Two Spanish Savings & Loan institutions, La Caixa of Barcelona and Caja de Madrid, are 136th and 156th in the same ranking.

Worldwide, Citicorp occupies the first position, as it did in the previous year, followed by Credit Agricole of France, number 2, and Britain's Barclays Bank, ranking 3rd, jumping several positions from the previous year's number 11. Natwest, in 5th position, surpassed Morgan Guaranty Trust Co. of New York for the first time.

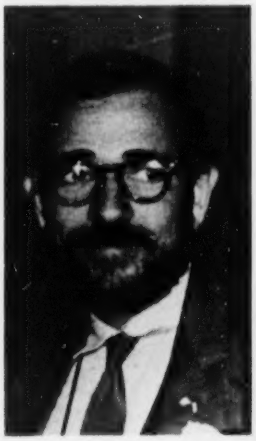
In Latin America, Banco do Brasil is the leader, falling one place from 3rd to 4th place. The first ranking Japanese bank, Fuji Bank of Tokyo, ranks 7th in the world. Germany's Deutsche Bank is 8th and the Swiss Union des Banques Suisses is 9th, moving up 9 and 7 places respectively from the previous year.

NAMES IN THE NEWS

JAIME DE PINIES,
Spain's Ambassador to the United Nations for many years, President of the General Assembly during the last session, and one of the most respected members of the U.N. and Spanish diplomatic communities, will receive the Gold Medal Award of the Spanish Institute next November 19th.



JOSEP BERTRAN
has been appointed new Director of Industrial Products and Investments of the Commercial Office of Spain in New York.

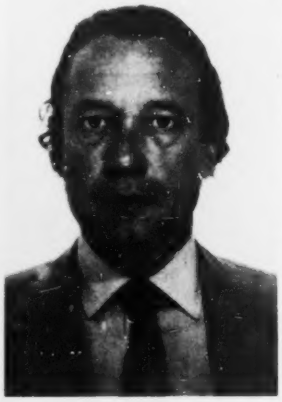


MIGUEL CORDOMÍ
former Deputy Consul in New York, has been appointed Cultural Attaché of the Embassy of Spain in Mexico.

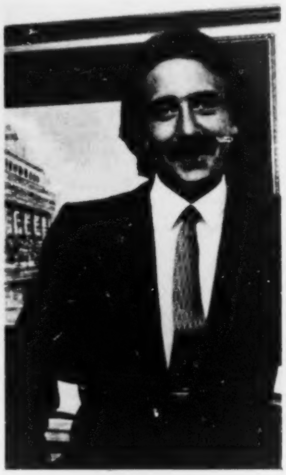
JOSE LUIS SAN PIO
is back in Madrid in the main offices of J. & A. Garrigues after more than a decade as representative of the law firm in New York.

PRINCE FELIPE DE BORBÓN

"Spain is a creative and modern country," Prince Felipe de Borbón told Canadians during a visit to Vancouver's International Fair on the occasion of the Day of Spain. Vancouver's "Expo-86," he added, was a "priceless example" for the Universal Exposition to be held in Seville in 1992 in celebration of the Fifth Centennial of the Discovery of America.

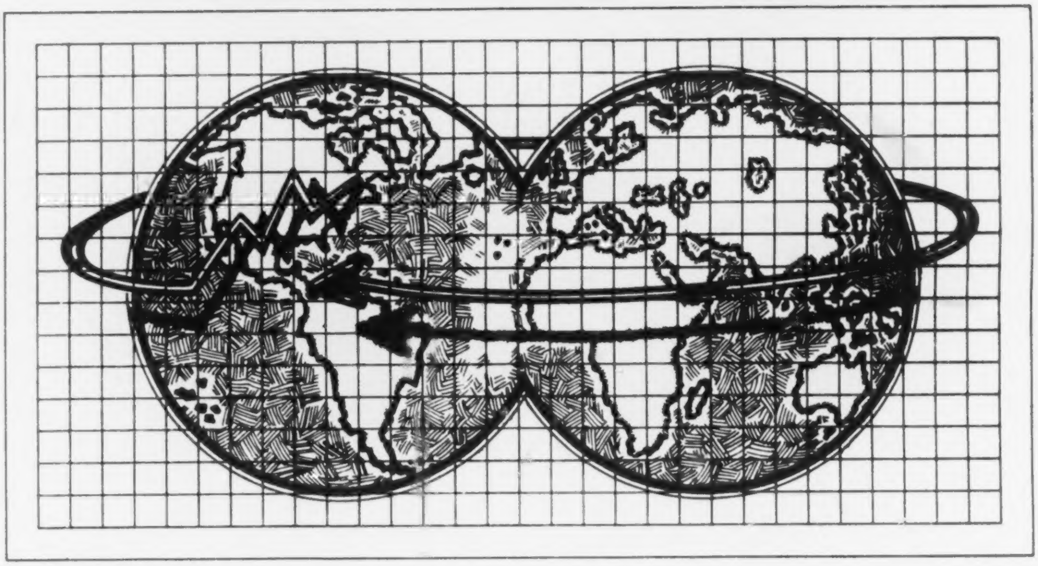


FELIX HERRERO
has been appointed new President and Chief Executive Office of Extebank.



ANTONIO ESCAMEZ
was recently appointed as the new Chairman of the Board of Banco Central of New York. He previously held the position of President.

YOUR FIRM CAN GO FAR.



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Telex: 424706

Miami Agency
One Biscayne Tower
2 South Biscayne Boulevard
Suite 3301
Miami, Florida 33131
Telephone: 371-7544
Telex: 264207

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By BOB SELWITZ

Trasatlantica Beats the Slump

AFTER MAJOR CHANGES, SPANISH LINE SHOWED A $6.5 MILLION PROFIT IN 1985.

IT'S BEEN A VERY GOOD YEAR FOR Alfonso G. Escalera. Unlike numerous maritime counterparts, Mr. Escalera says Trasatlantica Agency (USA) Inc., which he heads, and Spanish Line, the agency's sole client, are prospering and are well positioned to maintain the trend.

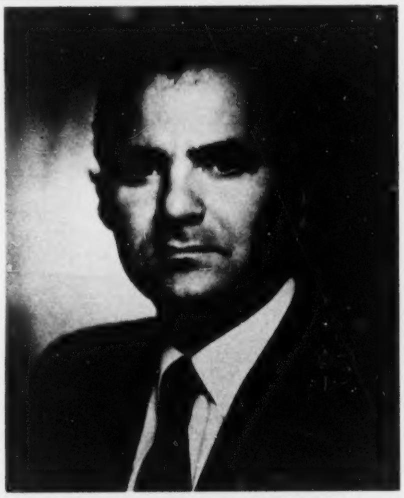
"The fact that in 1985 the Spanish Line showed a $6.5 million profit means we've come through a series of major changes and shifts in very good shape," he insists.

According to Mr. Escalera, while Spanish Line has been calling the United States for nearly a century, rapid industry changes recently forced all concerned with the line's fortunes to scrutinize operational factors. As a result, three key changes took place:

- In September 1985, Spanish Line started a joint, rationalized service that features five Spanish Line, Italian Line and Costa Line vessels on a U.S. East Coast-Italy-Spain route.
- The new agency moved a half mile north from New York City's World Trade Center to a much more spacious—and $15-a-square-foot—quarters in TriBeCa, an industrial and heretofore decidedly non-maritime district of Manhattan.

"Communications and cost were the key reasons behind our move," Mr. Escalera says. "Once it might have made sense for a shipping line's offices to be very near the piers. And, perhaps, that tradition caused numerous lines to continue to group together, even though their skyscraper offices were nowhere near their vessels.

"But," he insists, "with instantaneous communications available throughout the world and rates of between $38 and $40 per square foot being offered in the Twin Towers, we thought that this move made particularly good, cost-cutting sense."



ESCALERA: SPANISH LINE EXPECTS NOT ONLY TO SURVIVE BUT TO PROSPER

THIS ARTICLE, based on an interview with Mr. Escalera, first appeared in the July 10th issue of *The Journal of Commerce*. It is reprinted here with their kind permission.

The move followed Spanish Line's decision to strike out on its own and the subsequent creation of Trasatlantica, which employs more than three dozen people.

While currently servicing Spanish Line exclusively, Trasatlantica is "quite open to also offering agency services to non-competing ship lines," according to Mr. Escalera.

One reason Spanish Line is prospering, he says, is the implementation of a series of cost-analysis and equipment-control programs that he and his staff developed during and after his years as the line's representative at Kerr.

"Today," Mr. Escalera stresses, "the margin for error or success in the maritime business is very narrow. Therefore, it's absolutely vital to have detailed information about every operational aspect."

"To date," he says, "this kind of data has been the virtually exclusive province of major entities such as Sea-Land or Hapag-Lloyd.

Medium-sized lines, particularly those whose volume dictated that they rely on major general steamship agencies, simply didn't have access to this type of data, Mr. Escalera says.

"One of the key reasons we decided to handle our own affairs was because we know how important this information truly is," he notes.

Among this data are detailed customer payment histories, sophisticated breakdowns of sales efforts vs. revenue generated, readings of various intermodal transportation and cost options and step-by-step analysis of the factors that add up to total cargo discharge cost.

"Totals aren't enough," Mr. Escalera states. "Though they may be less costly for general agencies to offer in a standardized fashion to all their clients, the fact remains that each really needs very specific data."

"For example," he says, "when analyzing cargo discharge costs you have to know which parts of the total are non-negotiable, like New York Shipping Association assessments, and which, like overtime, might be maneuverable or altered."

As for sales efforts, Mr. Escalera said some ship lines never receive information from their general agents that allows them to judge whether "strenuous sales efforts are producing negative business — the kind where you lose money on every box you ship."

Spanish Line participates in three services, including the rationalized Spain-Italy MedAmerica Express, run with two 1340-TEU (20-foot equivalent unit) vessels (out of a total of five), helping to link New York, Baltimore and Norfolk with Cádiz, Valencia, Barcelona, Livorno, Genoa and Naples.

In addition, there are two exclusive services. One links Montreal with the Spanish ports via 800-TEU vessels. The other employs 840-TEU ships that connect Houston, New Orleans and San Juan with the Spanish and Italian port range.

Recognizing that the line is somewhat "handicapped by the limited number of countries involved in its services," Mr. Escalera notes that Spanish Line offers feeder services to Morocco, Tunisia, Egypt and Lebanon. He also is studying possible expansion to Greece and Turkey.

With all these offerings, Mr. Escalera seems most gratified by what he terms the MedAmerica success in making it possible for competing lines to profit from a very popular trade and in improving service available to customers.

"Before, both Spanish (Line) and Italian Line would sometimes have partially filled ships, each departing the same port on the same day, with neither line represented in that port for the next two weeks.

"As a result," he says, "the lines that did well were our many competitors who were there on the odd weeks when we didn't have a sailing. Today, with the five ships on the route, the three participating Med-America Express lines offer a joint weekly service, giving customers a schedule they can rely on."

To Mr. Escaler, who has watched over Spanish Line's fortunes from New York for the past decade, this kind of service is a welcome dash of common sense in a maritime world that often seems inexplicable.

"Our control—as evidenced by our nationalized service—is the answer to survival in today's market.

"With many trans-Atlantic rates hovering around 1974 levels, keeping down operational costs and continually upgrading efficiencies is absolutely mandatory for companies such as Spanish Line that expect not only to survive but to prosper."

WINES

Say It With Posters!

WINES OF SPAIN INTRODUCES A NEW SALES PROMOTION PROGRAM TO RETAILERS

The elegant, distinctive wines of Spain, which has more vineyards than any other country in the world, are vividly brought to life in a new sales promotion program for 1986.

Attention-getting point-of-purchase materials were introduced this spring as the first phase in a program for key retail accounts in four major metropolitan markets—Boston, Chicago, Miami, and the tri-state New York-New Jersey-Connecticut area.

Case cards and posters have colorful generic illustrations that feature a dramatic photo of the castle of Segovia and four different styles of wine glasses to show the diversity of Spain's wines—red and white table wines, sparkling wines, and sherry.

In addition, a versatile section sign is available for flexible in-store display areas to identify clearly the section where Wines of Spain are sold.

All of the p-o-p material highlights the main theme of the promotion program with one headline: "Wines of Spain—The other great Europeans." The posters and case cards add the succinct identity line: "Extraordinary Quality . . . Remarkable Value."

Vinos de España

More than 1700 retail stores were selected as targets for the aggressive sales promotion campaign. Many of the names were provided by importers and distributors. A merchandising team from Donnelley Marketing called on these retail accounts during two weeks in early April to install the p-o-p displays.

More than two-thirds accepted installation of the p-o-p material, and many other retailers used the material to create their own displays or special Spanish wine sections in their stores. Customized p-o-p has also been offered to importers and distributors to use in selected off-premise accounts.

"Our new p-o-p program has had a tremendous impact on the trade, and it has helped to increase the presence and awareness of Wines of Spain in retail stores," said Jack Vincent, Sales Promotion Manager, in reviewing the success of the program so far. "This introductory sales promotion program is an ideal lead-in to our planned fall off-premise promotion entitled "Castles in Spain," which will be a sweepstakes offer (where permitted) for a consumer and guest to win a one-week trip to Spain."

Decoration for John E. Codina

At a recent reception in New York, the royal decoration "Comendador de la Orden del Merito Civil" was presented on behalf of the King of Spain to John E. Codina, a "founding father" of the Chamber. Presenting the award was Ambassador Manuel Sassot, Consul General of Spain in New York.

In presenting the royal medallion, Ambassador Sassot spoke of Mr. Codina's many years of service to the Chamber. "It dates back to its foundation in 1959," he said, "when Mr. Codina served as First Vice President. They were difficult years for the Chamber. He gave generously of his time and talents to insure the Chamber's survival and growth. At the same time, he labored with vigor for the development of expanding trade relations between our two great nations."

Mr. Codina's business endeavors largely concerned Spain, as well as other European countries. In 1947 he formed the John E. Codina Co. Inc., with a specialty in equipment for the construction and architectural fields. A few years later he established the Vibratechniques Corporation of New York, specializing in the vibration of concrete and in equipment used in dams, bridges, nuclear plants, etc.

About 100 guests attended the presentation ceremonies hosted by the Consul General, including Spain's Ambassador to the United Nations, Fernando Morán, and other distinguished Spanish government officials.

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CREDIT AND COLLECTION

By GASTON BUTLER

Debt Collection Made Easy

PREPARATION IS THE KEY TO SUCCESSFUL COLLECTION

GASTON BUTLER: "YOUR CREDIBILITY MUST BE MAINTAINED."

The goal of every credit and collection department is to collect its claims without resorting to a collection agency. This does not always prove to be possible, but if you approach the problem in the proper manner you can increase your effectiveness and hence your collection rate.

To be most effective, it is essential that your office personnel be educated to proper collection procedures.

First, it is most important to recognize which claims can not be collected without being turned over to a collection agency. Once you determine those—the claims in which there is a substantial dispute or intransigent debtors—don't waste your time—*turn them over to a reliable collection agency.*

Direct your efforts to the vast majority of claims which can be collected. The first step, then, is to evaluate each claim. Gather up all available documentation regarding these claims: Invoices and statements; bills of lading; letters of admission; invalid checks; and all other pertinent documentation.

Determine, if you can, the basis for the non-payment. If you deem the debt collectable, then make immediate written demand upon the debtor. If the written demand is unsuccessful, prepare to make personal contact with this debtor.

Determine the best approach to the debtor. Does the claim warrant a personal visit? Is a personal visit feasible? You must take into consideration the size of the claim, your available personnel, and how far from your office the debtor is. If you determine that a personal visit is not warranted, make immediate telephone contact; first, however, it is best to select the proper person in your office to contact the debtor, assuming there is an available choice.

Try and find out what type of debtor you are dealing with. Who in the debtor organization is the right party to contact? Who has the power to okay payment, release and sign checks, and discuss the issues surrounding the obligation? Direct your efforts to this particular party. If you have prior experience with this debtor, review the results of that experience.

Is your best approach to this type of debtor what I call the "hard sell" or "soft sell"? It is a little of both—the carrot-and-stick approach. These decisions are best determined by preparation and knowledge of your past experience with the debtor, overall industry problems, particular regional or temporary seasonal problems which may be affecting the debtor's ability to pay this claim.

When contacting the debtor, have readily available all proper documentation of the claim and all knowledge of any dispute at your fingertips. In other words, have your file in order.

Be prepared beforehand. Do you know what concessions, if any, you are willing to make? How far are you willing to go? Are you willing to discuss allowances, and if so what type? Are you willing to accept returns of merchandise? Will you accept a payout of this debt or will you accept only full and immediate payment?

Despite any concessions you may be willing to make, the best initial approach is to insist on immediate full payment. Stick to the issue. Do not allow the debtor to shift the thrust of the conversation to anything other than collection of the debt. Make certain agreements are definite. Do not accept vague promises.

If you determine that immediate full payment is not possible and that a payout program can be worked out, insist on as short a payout as possible with payments be made as regularly as possible, preferably weekly. Attempt to obtain the entire payout or debt via post-dated checks or promissory notes immediately. Avoid long payout schedules unless they are properly secured. Try to obtain personal guarantees and assumptions of corporate debt.

When agreeing to any payout schedule, if post-dated checks can not be obtained, be certain in some way to monitor the dates when payments are due, either through a diary of computer print-out. It is important to follow up on the scheduled payments since you are responsible to see that the debtor adheres to his agreement. Remember, it is likely that you are not this debtor's only creditor. There are probably a lot of people out there fighting to get their hands on his available cash.

He who stays on top of the situation is the one who probably has the best chance of receiving the payment. In my mind, preparation is the most important factor in any type of collection. But in order to be prepared properly to collect, you must take the position that if you are unsuccessful you are prepared to turn the debt over to a collection agency. That idea must be gotten across to the debtor and if any agreement is not complied with you must act. Your credibility must be maintained. Your prior actions will help your future collections. If you say the check must be here on the 10th or I turn this claim over to a collection agency, do not call on the 11th and make new deals. This will destroy your credibility and indicate weakness to the debtor; it will, in the ultimate, undermine all future collection efforts against this debtor.

GASTON BUTLER is President of Hart, Paulis, Wiesse, Inc. of New York, a Chamber member firm established in 1924. Mr. Butler has 38 years of experience in the collection of claims for clients including importers and exporters of Belgium, Canada, Spain, France, England, Ireland and others.

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REAL ESTATE

By BRIAN WELD

Up, Up and Away!

WHY THE REMARKABLE RECOVERY IN MANHATTAN'S REAL ESTATE MARKET?

THE New York City Metropolitan area is one of the strongest real estate markets in the nation. While other real estate markets show rising vacancy rates and falling rental values, the New York market is showing strong leasing activity as well as major construction in Manhattan and the outer boroughs. The rental rate in Midtown Manhattan is currently averaging $39.68 per square foot per year, with a vacancy rate of 6.5%—the lowest vacancy rate in the United States. The rapidly expanding downtown financial district has a vacancy rate of 11% with an average asking price of $29.30 per square foot.

Why has the New York area made such a remarkable recovery from the depressed market of the 1970s? Why is it comparatively stronger than other national and some international markets? The reasons for the health of the New York commercial real estate market are . . .

- The expansion of the banking, financial services and related industries and their consequent demand for space;
- Establishment of foreign representative offices, and the demand for high grade properties for purchase by overseas investment groups;
- The change in the type of product offered by the real estate industry.

BRIAN WELD is a broker with Huberth & Peters, Inc., a leading full-service commercial real estate firm headquartered in Manhattan. Mr. Weld represented the Spain-U.S. Chamber of Commerce in our recent move to the Empire State Building. He has also represented the Belgian-American Chamber of Commerce and a number of other leading foreign financial groups in the successful implementation of their strategic real estate plans.

The strong job growth in the business and financial services industries of the region resulted in the construction of more than 130 million square feet of new office space between 1978 and 1985.

THE BOOMING FINANCIAL SERVICES INDUSTRY

Growth in this industry, including banking, stock brokerage and investment banking, has been fueled by record stock exchange trading, new highs in securities prices, and merger and acquisition activities. Changes in federal and state regulations have allowed firms in the financial industry to expand their products and services, and have permitted mergers and acquisition of related companies. Also, many foreign-based security firms have opened trading and institutional operations linking overseas financial markets to the New York exchanges.

GROWTH IN GENERAL AND PROFESSIONAL SERVICES

In addition to the financial industry, growth has occurred in professional service firms serving national and international markets. These firms include advertising and public relations, accounting, legal, and visitor-related services. During the first part of 1986 law firms have expanded greatly in response to the business/security related activities in New York; and advertising and public relations firms have expanded and merged to form large multi-service conglomerates.

DEMAND BY FOREIGN FIRMS

With the decline in the value of the U.S. dollar and lower interest rates, foreign firms and investors have begun to open representative offices and to explore real estate investment possibilities in the U.S., with the New York Metropolitan area receiving a great deal of their attention.

CHANGES IN THE COMMERCIAL REAL ESTATE MARKET

The New York Metropolitan area real estate market has undergone significant change in recent years. The type of product offered has changed: some new buildings provide large floors, high ceilings and special installations and services to meet the technology needs of major financial firms. These new buildings are competing for tenants with the older buildings that have smaller

EQUITABLE CENTER,
787 SEVENTH AVENUE

375 HUDSON STREET

BROAD FINANCIAL CENTER,
33 WHITEHALL STREET

E.F. HUTTON BUILDING,
31 WEST 52nd STREET

floor sizes. The general boundaries of "commercial Manhattan" have changed, with major construction and redevelopment in Midtown West, Wall Street West, and Midtown South. Midtown West has begun the revitalization process as a result of the opening of the Jacob Javits Convention Center and the Marriott Marquis Hotel in the Times Square redevelopment area. Also major office development is occurring in the outer boroughs, thus increasing competition for the New York tenant. In addition, "acceptable" industry locations have changed. Firms within many industries that previously would have felt it unacceptable to leave Midtown Manhattan are now relocating to Midtown South or Downtown Manhattan. The real estate market has developed into a multi-tier market, with different base rent and rental concessions found within different areas of the City.

With all these changes, the real estate industry has found it necessary to market office space creatively within some areas of the Metropolitan area, placing emphasis on concessions such as free rent and tenant work to attract tenants. Also, to interest large tenants, equity arrangements are sometimes offered.

CONCLUSION: A DYNAMIC AND GROWING MARKET

The New York Metropolitan area real estate market is dynamic and growing. We anticipate that it will strengthen further in 1987 as large blocks of space of 200,000 square feet or more become scarce and landlords stiffen their bargaining positions. These predictions of a healthy market are based on the continued growth of the service industries, and on the ability of the New York real estate market to understand and meet the ever-changing needs of commercial tenants in the New York Metropolitan area.

HISTORIC VACANCY RATES IN MIDTOWN AND DOWNTOWN MANHATTAN

Date	Midtown*	Downtown**
1980 —June	2.4%	6.0%
December	2.7%	3.8%
1981 —June	3.6%	2.4%
December	4.1%	2.7%
1982 —June	4.5%	2.6%
December	5.0%	4.9%
1983 —June	6.2%	4.6%
December	6.2%	4.2%
1984 —June	5.7%	8.6%
December	6.0%	8.0%
1985 —June	6.7%	8.7%
* December	7.5%	9.5%
1986 —June	6.5%	11.0%

* Based on a survey of approximately 103 million square feet of prime office buildings.

**Based on a survey of approximately 60 million square feet of prime office buildings.

BUILDINGS UNDER CONSTRUCTION IN NEW YORK

Property	Year of Completion	Building Square Feet	Square Feet Leased	Developer
13-15 W. 54 St.	1985	77,000	42,000	PRIVATbanken
146 W. 57 St. (Metropolitan Tower)	1985	223,000	0	Macklowe
787 Seventh Avenue (Equitable Tower)	1985	1,455,000	1,100,000	Equitable/Tishman
TOTAL		1,755,000	1,142,000	
% of space pre-leased: 65%				
40 E. 52 St.	1986	349,000	224,000	Rudin
31 W. 52 St. (E.F. Hutton Bldg.)	1986	660,000	660,000	Hines/CBS
65 E. 55 St.	1986	512,000	300,000	Park Tower/IBM
70 E. 55 St. (Heron Tower)	1986	140,000	20,000	Heron
110 E. 55 St.	1986	73,000	0	Sagona/Minskoff
53rd at Third	1986	530,000	308,000	Hines
599 Lexington Avenue	1986	915,000	0	Boston Properties
445 Fifth Avenue	1986	64,000	35,000	Goodstein
1755 Broadway	1986	210,000	0	Resnick
TOTAL		3,453,000	1,547,000	
% of space pre-leased: 45%				
156 W. 56 St.	1987	320,000	135,000	Eichner
127-137 E. 57 St.	1987	360,000	0	
527 Madison Avenue	1987	287,000	60,000	Dreyfus
650 Madison Avenue	1987	600,000	0	Hiro
667 Madison Avenue	1987	224,000	0	Hartz Mountain
590 Fifth Avenue	1987	90,000	0	Saxonia
TOTAL		1,881,000	195,000	
% of space pre-leased: 10%				

(A building is considered under construction when excavation has commenced).

ARCHITECTURE

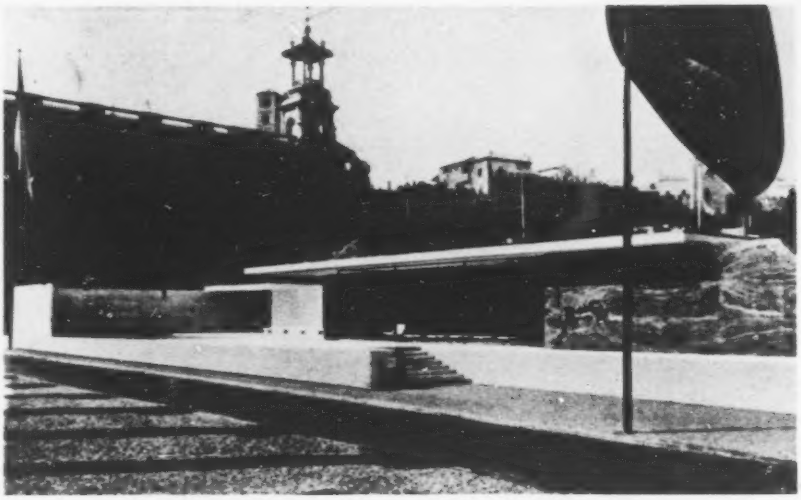
Recreating Mies' Masterpiece

1929 BARCELONA EXPOSITION PAVILION TO BE RECREATED IN HONOR OF ARCHITECT'S CENTENNIAL

One of the major events commemorating the centennial this year of the birth of Mies van der Rohe, one of the greatest architects of the 20th century, is the re-birth of one of his works of genius—the German Pavilion that he designed for the Barcelona Universal Exposition of 1929. The Pavilion itself was said to be the most impressive element of the German exhibit it was built to house.

Mies was a pioneer of the "International Style," and his design for the German Pavilion perfectly expressed the watchword of that movement, "less is more." At that time, almost six decades ago, the avant-garde one-story structure, with its pristine interlocking rectangular lines and brilliantly austere linear planes of marble, onyx, chrome and glass accentuated by reflecting pools, was in stunning contrast to the traditional architecture which surrounded it.

A few years ago, the Public Foundation for the Mies van der Rohe German Pavilion was organized for the reconstruction of the building. After extensive research and with the help of the Mies van der Rohe Archives at the Museum of Modern Art in New York, the one million



dollar project of reproducing the Pavilion down to the most minute detail has been completed, including a famous sculpture by Georg Kolbe in the interior patio.

The Pavilion was inaugurated for the second time last month in a ceremony attended by many dignitaries and the architect's daughter, Georgia van der Rohe. It has been declared a permanent historic-artistic monument and is now a cultural center with a library and museum.

Located on its original site within what were the 1929 fair grounds in Montjuic Park, the Pavilion is near the Museum of Catalonian Art the Archeological, Ceramic and Botanical Museums, and the Joan Miró Foundation. Mies van der Rohe's architectural masterpiece joins Barcelona's rich heritage of architectural treasures from earlier avant-garde movements, including buildings by Antoni Gaudí, Domènech i Monater and Puig i Cadafalch.

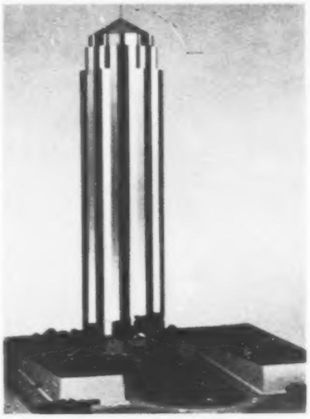
In America, the architectural genius of Mies van der Rohe can be appreciated in New York City (the Seagram Building), Mexico City (the Bacardí Building), and in Chicago, where he spent his later years after immigrating to the United States and where there are over 30 of his architectural gems, many of which form a good part of the city's skyline.

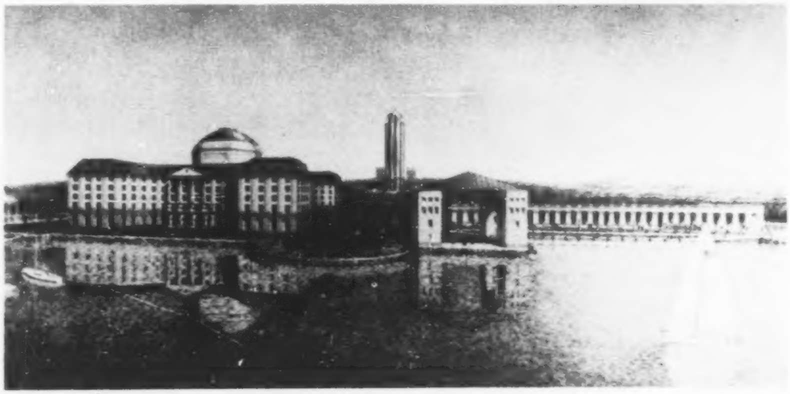
In further commemoration of the centennial, the Mies van der Rohe Centennial Exhibit of New York's Museum of Modern Art is now in Chicago through August 10, at the Museum of Contemporary Art; it will move to the New Gallery of Berlin (November 13 to January 15, 1987) and then to the German Pavilion in Barcelona. This exhibit includes plans, drawings and scale models of his architectural projects, as well as his designs for furniture.

Un World Trade Center para Washington, D.C.

El próximo otoño comerzarán las obras de lo que ha de ser el nuevo centro de comercio exterior y negocios de la ciudad de Washington, D.C. El edificio central, de 52 plantas, obedece al proyecto de John Burgee Architects con Philip Johnson.

El centro contará con todo tipo de servicios, incluyendo el de un satélite para la communicación inmediata con otros world trade centers del globo.





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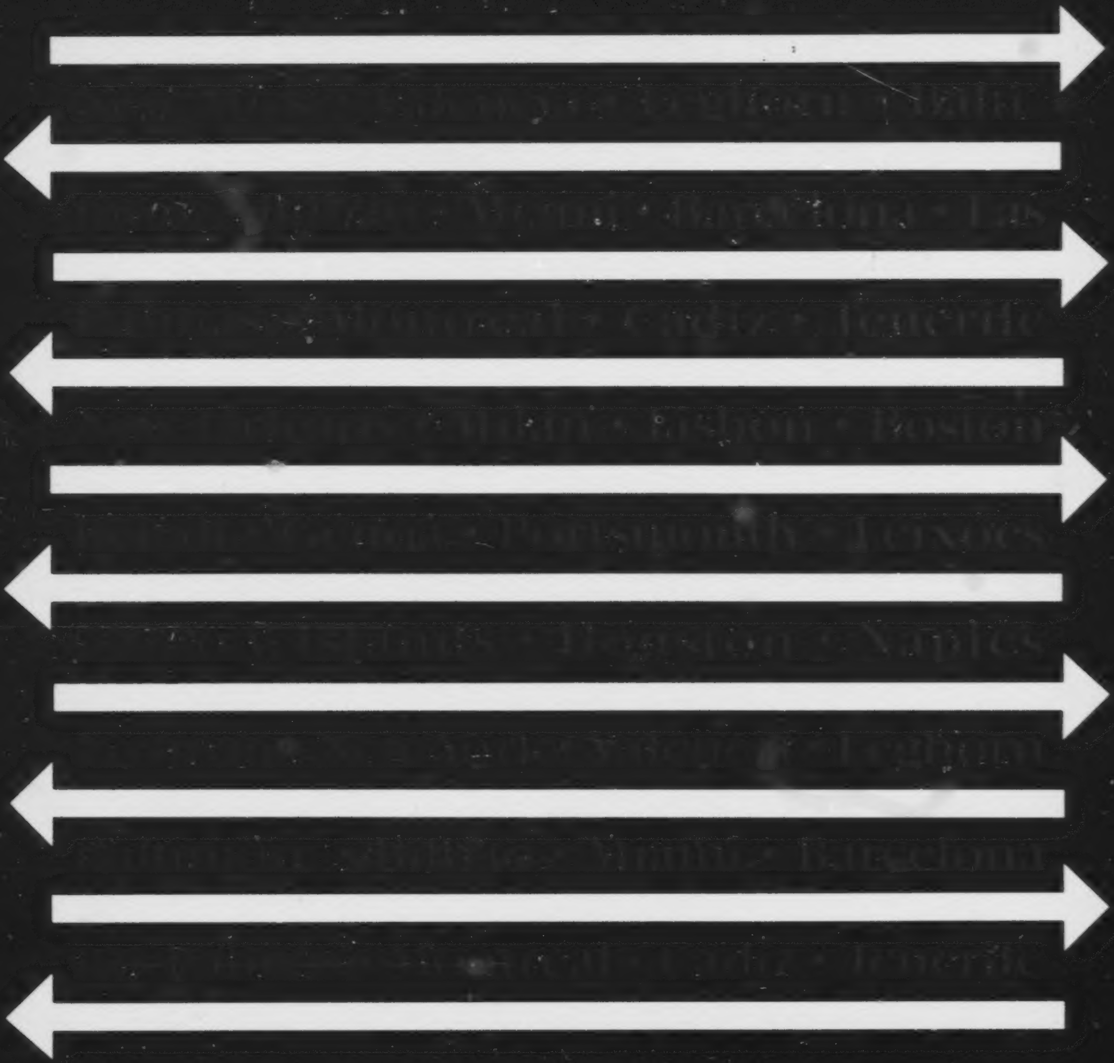
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FASHION
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FROM SPAIN

SPANISH SHOES IN NEW YORK

QUALITY AND FASHION DARING KEYS TO SPANISH FOOTWEAR FOR SPRING/SUMMER '87

In a brilliant presentation at the Essex House, Spanish shoe manufacturers showed designs which demonstrate superior workmanship and fashion sensitive styling.

Styling for Spring/Summer 87 is bold and beautiful, and reflects the trend toward lower heels and color.

Spain is the fourth largest exporter of footwear in the world and produced more than 186 million pairs of shoes in 1985. Production doubled between 1980 and 1985, with a growth of some 10-12 million pairs per year. 70% of these shoes are made from leather. About half of the production is for export, the United States being the principal customer with 38 million pairs, 47% of the total number exported.

As Spain's fifth largest export, footwear is being given special attention by the Spanish Government. Mercedes Lamamié is the Coordinator of "Footwear from Spain," a department of the Commercial Office in New York. As Ms. Lamamié puts it, "The United States, already the largest single buyer of Spanish shoes, is naturally a principal focus of our attention."

Advertising and fashion shows will be the principal tools in the new campaign, along with buyers' visits to Spain.

The most important source of information is the FICE, to which about 99% of the manufacturers belong. Its address is: FICE; Nuñez de Balboa, 116; 28006 Madrid. Telephone: 262 7001; Telex: 41179.

OTWEAR
ROM SPAIN

ION
WEAR
SPAIN
MARTINEZ VALERO

BELOW—AT THE ESSEX HOUSE PRESENTATION (L TO R): JOAQUIN DE LA INFIESTA, SARA NAVARRO, MERCEDES LAMAMIE, MARIA TERESA ARMIJO, AND JAIME CARUANA.

FINANZAS

By JOSE M. HERRERO

Canibalismo Empresarial en Estados Unidos

EL MUNDO FINANCIERO NORTEAMERICANO ESTA MAS INTERESADO EN ADQUIRIR Y FUSIONAR EMPRESAS QUE EN CREARLAS

EL PRESENTE articulo presenta una visión global de las tecnicas de negociación en la adquisición y fusión de empresas norteamericanas.

El vertiginoso dinamismo actual del movimiento de capitales en Estados Unidos hace que las grandes entidades bancarias y financieras norteamericanas se interesen más por la fusión y adquisición de empresas, que por la creación de las mismas.

El 10 de agosto del presente año el diario *The Washington Post* publicaba la noticia de la compra de la cadena de supermercados Safeway por la sociedad inversora Kohlberg Kravis Roberts & Co. en una operación financiera que asciende a los 4.1 billones de dólares.

Por rescatar a la cadena de supermercados más grande del mundo de un intento por la familia Haft de "adquisición hostil". Kohlberg Kravis Robert & Co. cobrará 60 miliones de dólares. Las entidades bancarias encargadas de proporcionar la financiación de dicha operación de rescate, esperan obtener unos beneficios de 48 millones de dólares.

El futuro socio mayoritario, Kohlberg Kravis Robert & Co., ofrecerá a los accionistas de Safeway 69 dólares por cada acción en venta (parte en efectivo y parte en valores de la nueva entidad). Tres meses antes de iniciarse las negociones las acciones Safeway estaban cotizandose en el mercado de valores a 45 dólares.

Las empresas norteamericanas sobreviven se fusionan o quiebran no solo en función a su rentabilidad. El movimiento especulativo de capitales produce constantes conspiraciones y luchas dentro y fuera de las sociedades solventes para apoderarse del control de las mismas.

TECNICAS TRADICIONALES DE NEGOCIACION

Hasta mediados de los años setenta se ha utilizado de forma diferenciada dos técnicas de negociación a la hora de adquirir o fusionar empresas.

JOSE M. HERRERO, was born in Madrid in 1957. He is a member of the Madrid, District of Columbia, and International Bars. He received his legal education in the University of Madrid (J.D.); the Spanish Institute for Foreign Affairs, Madrid (Diploma in European Community Law); Indiana University School of Law (LL.M. in Foreign and Comparative Law); and Georgetown University Law Center (LL.M. in Common Law Studies). He has been an Official Escort Interpreter with the U.S. Department of State. Since 1985 he has been associated with the Fabregat Law Firm in Madrid, and he is presently with the law firm of Fisher, Wayland, Cooper and Leader in Washington, D.C.

Por una parte, a través de multiples y prolongadas negociaciones, los organos directivos de dos empresas podían llegar a un acuerdo amistoso de fusión, el llamado "Statutory Merger". Con la aprobación del consejo de administración y el voto mayoritario de los accionistas, la empresa fusionada ("target company") quedaba en manos de la empresa sobreviviente.

Por otra parte cuando no existía ninguna posibilidad de negociar la fusión de una determinada empresa, se recurría a las "técnicas de adquisición hostil" ("hostile takeover"). El objetivo fundamental del comprador "invasor", conocido por el nombre de "Raider", era el de convertirse en socio mayoritario de la empresa a fusionar mediante una "tender offer": oferta de compra y acumulación progresiva de acciones en dicha empresa, cuya cotización en bolsa se consideraba subestimada.

El "Raider" saltandose la aprobación o respaldo del consejo directivo para realizar dicha operación y desde su nuevo status de socio mayoritario, llegaba literalmente a tomar el mando de la empresa para fusionarla con otra o venderla a un tercero.

MEDIDAS DEFENSIVAS CONTRA LA ADQUISICION HOSTIL DE SOCIEDADES

El consejo directivo de la empresa amenazada podia contra-atacar al "Raider" con las llamadas "pildoras venenosas" o defenderse de dicha "adquisición hostil" con el apoyo financiero de un tercero conocido con el nombre de "White Knight".

El termino "pildoras venenosas" hace referencia a un conjunto de medidas a tomar por el consejo de administración de una empresa amenazada tales como, la declaración anticipada de dividendos, o la oferta a los accionistas de una opción a la compra de valores en dicha sociedad a mitad de precio.

Dichas medidas estarian dirigidas a ocasionar grandes perdidas económicas al indeseado "Raider" si lograba que la empresa cayera en sus manos.

A tal situación tuvo que enfrentarse en 1984 Sir James Goldsmith y sus asesores juridicos y financieros en la "adquisición hostil" de la compañia papelera *Crown Zellerbach*.

El "White Knight" o "Cabellero Blanco" estaria a su vez representado por una sociedad financiera o empresarial dispuesta a salvar la empresa amenazada, convirtiéndose en su socio mayoritario antes que el "Raider". Para lograr tal fin dicha entidad financiera debia anticiparse y superar la oferta de compra de acciones inicialmente propuesta por el "Raider" a los accionistas (Kohlberg Kravis Roberts & Co. actuó como "White Knight" en la compra de los supermercados Safeway).

LA INFLUENCIA DE LAS ACQUISICIONES HOSTILES EN LA DECADA DE LOS 80

El impacto de estos asaltos a la dirección de una empresa para fusionarla o subordinarla a los intereses de nuevos accionistas mayoritarios, esta presente hoy en día a la hora de negociar la fusioń o adquisición de una sociedad.

En la actualidad las técnicas de fusión amistosas y las de adquisición hostil aparecen frecuentemente mezcladas. Lo que realmente interesa, a la hora de negociar, es diseñar un plan de acción immediato de tal forma que cuando llegue el momento de firmar el acuerdo final no haya posibilidades de dar marcha atrás.

Desde el principio es importantísimo controlar toda información sobre los posibles planes de fusión o compra-venta de una empresa. Las negociaciones deben hacerse a puerta cerrada bajo el más absoluto secreto.

La infiltración de una noticia de este tipo en el mercado de valores puede hacer fracasar los objetivos financieros que se persiguen. Además, la manipulación o trasmisión de dicha información con el fin de defraudar a los accionistas es un delito tipificado por las disposiciones del *Securities Exchange Act* de 1939.

El articulo 10b-5 y la sección 16 de dicha ley establecen medidas dirigidas a evitar el fraude en la transacción de valores, sometiendo a los miembros del consejo de administración de la empresa, directores y demas personas en posición fiduciaria frente a terceros, a una reglamentación muy estricta en caso de omitir datos relevantes o trasmitir información falsa en la compra-venta de acciones.

Al respecto el pasado mes de mayo las investigaciones de la *Securities and Exchange Commission* llevaron a la desarticulación de un grupo de banqueros y abogados de *Wall Street* acusados de obtener ilegalmente beneficios astronómicos en la compra-venta fraudulenta de valores bursatiles mediante información anticipada del plan de fusión de más de 54 compañias. Conducta delictiva tipificada con el nombre de "insider trading"

LA CREACION DE UN ACUERDO VINCULANTE

Para asegurar al máximo el éxito en la negociación de la compraventa de empresas es necesario a parte de establacer un clima de confidencialidad el crear un "acuerdo con fuerza vinculante entre las partes".

En dicho acuerdo (contrato de compraventa) debe figurar una "non shopping clause": Debe exigirse a la empresa que se desea adquirir el que se abstenga de trasmitir o hacer pública cualquier información sobre las negociaciones a desarrollar sin el consentimiento de la otra parte. Se trata en definitiva de evitar la presencia inesperada de un tercero que pueda proponer unas condiciones de negociación más ventajosas.

Para prevenir este último supuesto deben incluso establecerse clausulas de indemnización por incumplimiento del contrato. De esta forma cualquier otra oferta de un tercero no resultará rentable si en dicha clausula se establece como cifra a indemnizar un porcentaje elevado del montante total de la transacción.

> ***"El movimiento especulativo de capitales produce constantes conspiraciones y luchas dentro y fuera de las sociedades solventes para apoderarse de ellas."***

EJECUCION ANTICIPADA DEL ACUERDO DE FUSION

La experiencia nos demuestra que la existencia de un acuerdo en si, no garantiza siempre el éxito de una negociación. Para asegurarse de que el vendedor cumpla con los planes de fusión pactados es necesario "encerrar el acuerdo".

Si existen paquetes de acciones dentro de la empresa en venta se procederá a comprarlos u obtener una opción exclusiva de compra, a un precio previamente convenido en el acuerdo inicial de fusión. Hay que controlar cuanto antes las acciones del vendedor.

Como ultimo eslavón que "encierre" dicho acuerdo se exigirá otra opción exclusiva a comprar "la joya de la corona". Esta terminología hace referencia a la oportunidad que se le ofrece al comprador de ejercer una opción irrevocable a adquirir bienes clave de la empresa en venta. Con esta opción se trata de hacer frente a la amenza de un "Raider" que pueda hacer fracasar la negociación o al cambio de postura del vendedor a última hora.

"TENDER OFFER"

El acuerdo de fusión culmina con el anuncio de una oferta a los accionista de la empresa en venta, de la compra de sus acciones a un precio acordado, generalmente superior al de cotización en bolsa. Al haber asegurado el comprador su candidatura como futuro socio mayoritario, la negociación deja de tener caracter confidencial.

En cualquier caso dicho acuerdo necesitará contar desde un principio con el visto bueno del Departamento de Justicia, Federal Trade Commission y Securities and Exchange Commission. En dichos organismos federales se encuentran las autoridades encargadas de administrar las disposiciones referentes a las practicas restrictivas de la competencia, fusión y adquisición de sociedades mercantiles y operaciones bursatiles *(Sherman Act, Clayton Act, Hart-Scott-Rodina Antitrust Improvements Act . . .)*.

CONCLUSION

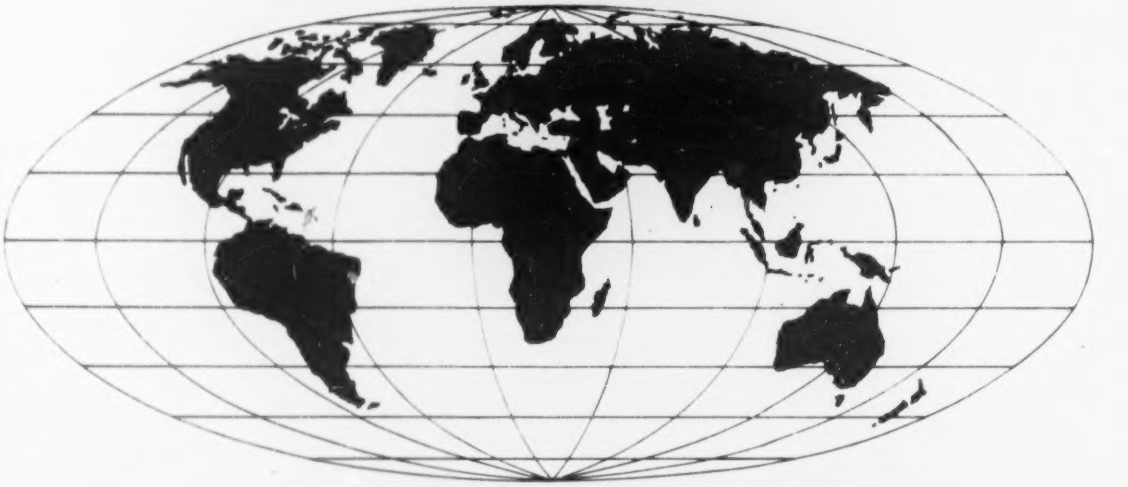
La principal ventaja de las técnicas de negociación conjunto son las de llegar con rápidez a asegurar la transacción y controlar el comportamiento de las partes. Por otra parte la ejecución del acuerdo de fusión queda reducido a un puro formalismo evitando el retraso que supone el tener que convocar junta extraordinaria de accionistas y cumplir con todos los requisitos administrativos.

Sin embargo este tipo de negociación acelerada no permite llevar a cabo una investigación exhaustiva de la situación financiera de la empresa en venta. El comprador ha de "fiarse" de la información financiera que dicha empresa tenga a disposición del público y la que ésta la pueda ofrecer de forma immediata.

Dada la premura con la que se actua tampoco es posible redactar con el máximo detalle un extenso tratado de clausulas y garantias que protejan al futuro propietario empresarial de posibles vicios ocultos. Pero en definitiva, cuando hay que operar a "contra reloj" para adquirir una empresa, los intereses económicos deben prevalecer sobre los formalismos juridicos.

La clave del éxito en una transacción de esta embergadura esta en asegurarse de que el comprador conoce y entiende perfectamente el mercado en el que se desenvuelve, los objetivos comerciales que persigue y los pronosticos a corto y largo plazo del sector industrial en el que desea invertir y expandirse. ☐

Banco de Santander Group



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Prepared by J. & A. GARRIGUES, New York Office

Current Legislation in Spain

A SUMMARY OF IMPORTANT SPANISH LEGISLATION PUBLISHED BETWEEN JANUARY 15 AND AUGUST 8, 1986

GENERAL

1. Head of State. Organic Law 2/86 of March 13, 1986 on Security Corps and Forces.

The main objective of this Law is to outline principles applicable to the Security Corps and Forces (combined). It establishes principles of common performance for all, both those pertaining to the national government and to the local and autonomous police.

Personal rules: Professional advancement is regulated, as well as work systems, syndication, incompatibilities, responsibilities etc. of the members of these corps. Strikes are forbidden.

The Law also encompasses the duties of these Corps: in particular, the Civil Guard, which, notwithstanding its military missions under certain circumstances, should center its activities on the strict performance of police work and the maintenance of order and public safety.

The civil nature of the National Police Force is confirmed and the Judicial Police is designated as a policy specialty.

The function of the Autonomous Police is to protect buildings, installations and local authorities; and, in collaboration with the National Police and Civil Guard, to maintain order in public gatherings and to oversee public places.

Those Autonomous Companies which maintained Autonomous Police corps prior to this law must abide by the aforementioned provisions.

Because of the existence of varicus corps, the Order sets forth the principle of mutual cooperation among Local, Autonomous and National Police.

2. Head of State. Law 12/1986 of April 1, 1986 regulating the professional functions of architects and technical engineers. (OSG April 2, 1986).

3. Ministry of Defense. Royal Decree 611/1986 of March 21, 1986, approving the Regulation of the Military Service Law. (OSG April 2, 1986).

4. Head of State. Law 13/1986 of April 14, 1986, for the Promotion and General Coordination of Scientific and Technical Investigation. (OSG April 18, 1986).

This law fulfills article 149, 1.15 of the Spanish Constitution. It creates the General Council of Science and Technology for the coordination of action in the field of investigation by the various Autonomous Communities, among them and with the State Administration.

The Interdepartmental Commission of Science and Technology must program the investigation activities of all organisms dependent on State Administration through the National Plan of Scientific Investigation and Technological Development. This Plan will be approved by the Government and under the surveillance of Parliament. Its contents shall set forth the objectives of technical investigation for the years to come.

5. Ministry of Public Works and Urbanism; Royal Decree 849/1986, approving the Regulation of the Hydraulic Public Ownerships, in accordance with titles I, IV, V and VII of Law 22/1985 of Aug. 2, 1985 (OSG April 30, 1986).

6. General Council of the Judicial Power (GCJP); Agreement of April 22, 1986 approving the **Regulation of the Organization and Function of the GCJP** (OSG May 5, 1986).

This regulation provides for:

a. The composition of the GCJP and the legal status of its members;
b. The committees of the GCJP and the regime of its meetings.
c. Technical committees serving the GCJP.
d. Inspection services.
e. Staff of GCJP.

7. Presidency of the Government; Royal Decree 875/1986 of March 21, 1986 **eliminating the National Institute of the Spanish Book.** (OSG May 6, 1986).

8. Ministry of Defense; Royal Decree 2046/1986 of May 26, 1986 approving the **General Regulation for the Access to the Military Profession** (OSG May 30, 1986).

9. Presidency of the Government; Royal Decree 2229/2986 of May 26, 1986 approving the Regulation of Execution of the Organic Law 7/1985 of July 1, 1985 on **rights and liberties of foreigners in Spain** (OSG June 12, 1986).

This Regulation guarantees the stay of foreigners in Spain; it establishes the requisites that foreigners must fulfill to obtain various types of visas—e.g. residence, employment etc.

10. Ministry of Justice; Royal Decree 1156/1986 of June 13, 1986 **regulating the record of the Registry Property of abutting properties with maritime ownership** (OSG June 19, 1986).

11. Head of State; Royal Decree 1514/1986 of July 23, 1986 **appointing Felipe Gonzálex Marquéz as President of the Government** (OSG Juloy 24, 1986).

INTERNATIONAL

1. Head of State, Instrument of Ratification of the Convention on measures to forbid the importation, exportation and transfer of illegal properties of cultural goods, granted in Paris on Nov. 17, 1970 (OSG Feb. 5, 1986).

2. Instrument of Spain's Adhesion to the International Agreement coordinating the Goods Control borders (OSG Feb. 25, 1986).

COMMERCIAL

1. Ministry of Economy and Finance; Royal Decree 2701/1985 of Dec. 27, regulating export commerce (OSG Feb. 25, 1986).

This Royal Decree simplifies the regulations and procedures applicable to export commerce and confirms the principle of commercial freedom, the only exceptions being those foreseen with regard to the Joint Agreement of the European Common Market. It also sets up procedures for adopting control and protective measures in case the development of foreign commerce in a product could disturb the market for that product

2. Ministry of Economy and Finance; Order of Feb. 26, 1986, regulating export-import bonds (OSG Feb. 25, 1986).

The petitions for export-import certificates shall post a bond to guarantee the results of their operations. This bond may consist of:

a. Payment to the Public Treasury Delegations;
b. Solidary endorsement granted by a bank;
c. All forms of guarantee admitted by the communitary laws.

3. Head of State; Law 11/1986 of March 20, 1986 on Patents (OSG March 26, 1986).

A new law on patents is made necessary by the antiquity of the previous one, which was published in 1929, as well as by the necessity to adapt that legislation to communitary rules.

The main characteristics of the new law are the following:

a. Two categories of property titles are taken into consideration: Invention patents and utility forms; their extension is reduced from 20 years to 10 years.
b. Introduction patents are cancelled.
c. Labor inventions are also regulated.

d. The possibility of patenting chemical, pharmaceutical and alimentary products is contemplated, but the patent of the first two will be ordered by a Royal Decree, not before Oct. 7, 1992.

e. Patents get more protection in their own realm and in establishing new actions (for example, action to stop illegal acts). Protection of patents for procedures for obtaining new products is also increased.

f. A new concession system is established through the introduction of the procedure called "inform about the state of the technique."

g. The use of patents is regulated, especially the transfer of patents and contractural licenses.

h. Obligatory licenses for pending patents is regulated for the first time.

4. Ministry of Justice. Royal Decree 573/1986 of March 21, 1986 modifying article 10 of the regulation of the Mercantile Registry (OSG March 26, 1986).

5. Ministry of Economy and Finance; Royal Decree 710/1986 of April 4, 1986 creating a second stock market on the official Stock Exchange and amending the conditions for issuing titles of fixed income (OSG April 15, 1986).

The minimum requisites for admission to quotation of these titles on the second stock market are:

a. For the shares: The company must have a minimum stock capital of 2.5 million pesetas and shall offer to the counterpart company at least 20% of the titles of the stock capital.

b. For the liabilities: The convertible liabilities shall be issued by companies the shares of which are admitted to quotation on the second stock market.

c. The balance and the result account shall be audited.

d. Subscription of an agreement with a counterpart company that furnishes the offer on the money market.

6. Presidency of the Government; Order of April 11, 1986 approving the new form of the bill of exchange (OSG April 17, 1986).

7. Ministry of Economy and Finance; Royal Decree 1063/1986 of May 9, 1986 regulating the documents and certificates required for the establishment and performance of commercial services in and for the various countries of the European Economic Community (OSG June 3, 1986).

8. Ministry of Economy and Finance; Royal Decree 1297/1986 of June 28, 1986 regulating the regime of free zones and deposits (OSG June 30, 1986).

9. Royal Decree 1298/1986 of June 18, 1986 adapting the regulations of credit establishments to European Community rules (OSG June 30, 1986).

A credit establishment is defined as a company that, as its regular activity, receives funds from customers in the form of deposits or in similar ways. More specifically, the following are considered credit establishments:

a. Official credit entities;

b. Private banks recorded in the Special Registry of the Bank of Spain;

c. Savings banks recorded in the abovementioned Registry;

d. Credits to Unions recorded in said Registry;

e. The mortgage credit companies recorded in the Special Registry of the General Directorate of the Treasure and Financial Policy of the Ministry of Economy and Finance.

FOREIGN INVESTMENTS

1. Ministry of Economy and Finance; Resolution of Nov. 20, 1985 of the General Directorate of Foreign Transactions. **The Delegate Entities are authorized by this resolution to open and cancel foreign accounts in ordinary pesetas.** (OSG Jan.14, 1986).

The holders of these accounts can be either non-resident individuals or non-resident corporations, but if they become residents the accounts will lose their foreign condition and the general regulation of resident accounts in ordinary pesetas shall be applied. The balance of these accounts can be used to pay the expenses incurred in Spain or to make foreign investments. These accounts can not have, by any means, a debit balance.

2. Ministry of Economy and Finance; Circular 33/1986 of March 18, 1986 of the General Directorate of Foreign Transactions **regulating foreign accounts in ordinary pesetas open on the Delegate Entities on behalf of non-residents** (OSG April 12, 1986).

These accounts will be governed by the Resolution of Dec. 20, 1985 and by this circular. They can have the form of a demand deposit, a savings deposit or a time deposit in ordinary pesetas.

The balance of these accounts can be used in Spain:

—To pay staying expenses.

—To pay for foreign investments.

The payments in these accounts will be free and their holders will not have to prove the origin of the funds. This does not relieve the holders of their responsibilities regarding exchange control policy.

The transfer to a foreign account in ordinary pesetas will be done by debiting the foreign account in ordinary pesetas forthe amounts of the credited interest and its pay out on the foreign account in convertible pesetas.

The transfer to a foreign country of the yields and products of the liquidation of foreign investments made in Spain with funds of a foreign account in ordinary pesetas will take place by debiting the yields already paid on the foreign account in ordinary pesetas and payment on the foreign account in convertible pesetas.

3. Ministry of Economy and Finance; Royal Decree 1265/86 of June 27, 1986 **approving the new Foreign Investment Law** (OSG June 28, 1986).

This Law established a new definition of various investments according to the communitary laws.

Direct investments and investments of assets are defined using the criteria of their influence on the Community's government.

Financial loans lasting over five years are considered as direct investments.

The free investment regime is complemented with an administrative verification. This verification allows the administration to check the nature and the truth of the investment. Foreign investments can be made using either exterior or interior capital.

These investments can consist of:

a. Direct investments;

b. Investments in assets;

c. Investments in real estate;

d. Other types of investment.

FISCAL

1. Ministry of Economy and Finance; Royal Decree 2634/1985 of Dec. 18, relating to the penalties for tax violations (OSG Jan. 18, 1986).

These penalties are to be imposed by:

a. The Government, if the penalty consists of dismissal of employment or public commitment;

b. The Ministry of Economy and Finance, when the penalty consists of the loss of taxable profits;

c. The General Directorate of the Ministry of Economy and Finance when the penalty consists of a fine.

2. Ministry of Economy and Finance; Order of March 18, 1986 approving the quarterly report and liquidation forms of the Value Added Tax (VAT) and the repayment of compensations related to final deliveries to the Canary Islands, Ceuta and Melilla, and to exports made by obligors included in the special regime of agriculture, cattle and fishing (OSG March 21, 1986).

3. Ministry of Economy and Finance; Order of March 24, 1986, establishing the minimum yield of financial assets subject to withholdings. (OSG March 23, 1986).

The minimum yield for investments made between the entry into force of this Order and June 30 will be 8.5% in order to effect the withholding of assets regulated by Ministry of Economy and Finance Order of May 30, 1985.

LABOR

1. Ministry of Economy and Finance; Royal Decree 2615/1995 of December 4, approving the regulation of the Social Security Entities. (OSG Jan.15, 1986).

2. Ministry of Labor and Social Security, Order of Jan. 28, 1986 setting payment rules for the Social Security, Unemployment Agency, Salary Fund, and Professional Training Agency. (OSG Feb. 1, 1986).

3. Ministry of Labor and Social Security. Royal Decree 716/1986 of March 7, 1986, approving the General Regulation for the collection of funds of the Social Security System.

This regulation establishes a collecting procedure through court action where debts are due to the Social Security. (OSG April 16, 1986).

(CONTINUED ON PAGE 53)

BOOKS LIBROS

"Manual Práctico de la Comunidad Europea"

VOLUMEN 1 — LIBRE COMERCIO
AUTORES: JESUS MARIA BOCCIO
y JOSE MARIA DELGADO
Editorial Tecnos, Madrid 1986 - 356 Paginas

JESUS MARIA BOCCIO

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TO ALL OUR MEMBERS AND SUBSCRIBERS: PLEASE TAKE NOTE OF OUR NEW ADDRESS

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LETTERS TO THE CHAMBER • CARTAS A LA CAMARA

Me refiero a su publicación *The Business Link*, continuación del *Spain-U.S. Trade Bulletin* con el número 142 que acabo de recibir.

En primer lugar, deseo felicitarles por la gran calidad de la nueva publicación que quisiera seguir recibiendo para no interrumpir la colección que conservo desde el primer número.

En segundo lugar observo que no me han reclamado el importe de mi suscripción anual que asciende a 5.000 pts. para 1986 según deduzco de su pié de imprenta a cuyo objeto adjunto les remito cheque nominativo de dicha cantidad, siguiendo instrucciones de años anteriores que considero en vigor.

—MANUEL ROSSICH TOME
Apartado 682, Palma de Mallorca

I recently was given a copy of your April, May and June issue of *The Business Link*. I commend you on a very well done magazine. I do agree with the editorial that such an undertaking is quite an exceptional effort, human and economic. I publish an extremely small newsletter for our small area biweekly, and it take more time that I care to think about.

I am essentially the Economic Development office in our small area. Actually the area is very large, the population for the entire county does not exceed 4,000. Our goal as a Task Force is to locate industry that is wishing to relocate or expand. Our area is actively pursuing avenues that we hope will lead to our own economic success.

I read with interest about Spanish firms looking for or offering representation. Does your organization have listings of industries that wish to grow possibly in the U.S.? I would appreciate any listings or information you may have on this subject.

Also, as far as the arts are concerned in your country, what types of crafts and arts are produced for resale? I am in the process of organizing the arts and craftsmen in our area to market the quality handcrafted things produced here. I will be working with the near markets in Las Vegas and Salt Lake for now; will there ever be an interest in Spain for this type of item?

Thank you for your time. I hope we can help each other in some way.

—SHELLEY WADSWORTH
Executive Secretary
ECONOMIC SURVIVAL TASK FORCE
P.O. Box 255, Caliente, Nevada 89008

The Marketing Division of the Arkansas Industrial Development Commission is responsible for promoting Arkansas products worldwide. As a state agency, we provide export assistance to a variety of Arkansas manufacturers.

In view of this, while I was looking at your publication, *The Business Link*, I noticed a section entitled "U.S. Firms Seeking or Offering Representation." Could you please answer a few questions concerning this section:

1. What is the cost to include a paragraph?
2. Must it be translated into Spanish?
3. How many different ads could we include?
4. To whom should we submit the ads?

—BRUCE BURNETT
International Marketing Representative
ARKANSAS INDUSTRIAL DEVELOPMENT COMMISSION

In answer to this reader's questions, a business opportunity paragraph is published in The Business Linke *free of charge as a service of the Chamber. If it needs translation into Spanish or English, the Chamber staff will translate it. Since space is limited, each company can normally expect one listing. Your request should be sent to: Editor,* The Business Link, *Spain-USA Chamber of Commerce, 350 Fifth Avenue, Suite 3514, New York, NY 10118.*

Por ALVARO SAINZ
J. & A. Garrigues, New York Office

Nueva Regulación de la Letra de Cambio (y II)

LEY 19/85 DE 16 DE JULIO DE 1985— LA LEY CAMBIARIA Y DEL CHEQUE

V. LA PROVISION DE FONDOS

LA NUEVA Ley Cambiaria y del Cheque omite la regulación de la provisión de fondos, aludiendo a ella sólo para contemplar su cesión en el art. 69.

La omisión de la regulación de la provisión en la Ley Cambiaria supone que la determinación de las formas que puede revestir quede remitida a las normas generales del mandato y la comisión. En definitiva, las relaciones librador-librado, que pueden revestir naturaleza muy diversa (prestación de servicio, contrato de empresa, préstamo, mandato, depósito. . .) determinarán que exista una remisión efectiva de fondos, la compensación de un crédito que ostentase el librador anteriormente o la ejecución de un contrato nuevo.

La falta de provisión tiene efectos extracambiarios solamente. Normalmente conducirá a la responsabilidad civil del librador frente al librado que haya soportado la acción cambiaria. Igualmente podrán los tenedores utilizar la acción de enriquecimiento, en los casos en que la letra haya quedado perjudicada y carezcan de acciones causales (art. 65), para dirigirse contra el librador que no haya realizado provisión y obtenga así un provecho injustificado, ya que es la persona que aparece en descubierto en la letra.

La Ley Cambiaria y del Cheque regula precisamente sólo un aspecto de la provisión: El régimen para su cesión. La razón es clara: se trata de fortalecer la posición del tenedor de la letra, permitiéndole el ejercicio de la acción extracambiaria contra el librado y sacando del patrimonio del librador los derechos referentes a la provisión. Con ello se independiza totalmente la letra y el crédito subyacente de las vicisitudes que experimenta el librador (principalmente la insolvencia).

Según el art. 69 de la Ley, la cesión de una cláusula inserta en la letra por la que el librador declara que cede al tenedor sus derechos referentes a la provisión. Se trata de una cesión especial, no sujeta al régimen general de cesión de créditos contenidos en el C. Civil (art. 1526 y siguientes).

Supone, pues, una reserva de la ley española frente al régimen de la Ley de Ginebra ya que en esta última se presume la cesión de la provisión de fondos y en nuestro derecho hay que realizarla expresamente.

Para su eficacia, la cesión habrá de ser notificada al librado y éste, junto a la constancia en el título, es el único requisito preciso para que afecte a terceros, especialmente a los acreedores del librador. El sistema adoptado es fácilmente criticable (así los ha hecho Eizabuirre) y está expuesto a fraudes.

Una vez perfecta la cesión, el tenedor adquiere la titularidad de la relación causal (el librado únicamente puede pagar al tenedor legitimado), podrá ejercitar la acción extracambiaria, sin necesidad de levantar protesto y dentro del plazo de prescripción correspondiente.

Por su parte el librado, demandado por esta vía, no está sujeto a límites en las excepciones oponibles del art. 67, pues, el procedimiento empleado nunca será el ejecutivo cambiario.

VI. LA ACEPTACION DE LA LETRA

1. Concepto. La letra es un mandato de pago conferido por el librador al librado (art.1 no.2 Ley Cambiaria), por lo que éste deberá aceptarlo para que quede obligado a su cumplimiento. Este fin cumple la aceptación de la letra, regulada en la Ley Cambiaria en su Capítulo III (arts. 25 a 34).

Se ha definido la aceptación como "declaración del librado por la que se compromete a cumplir el mandato de pago recibido por el librador" (Uria) o, de forma más completa: "acto cambiario por el cual el librado declara bajo su firma que admite el mandato de pago del librador y contrae la obligación de pagar la letra a su vencimiento".

La aceptación tiene importancia fundamental para la efectividad de la letra (no para su validez jurídica) pues, en principio, el librado no es un obligado cambiario y sólo cuando acepta la letra se convierte en deudor de la misma frente a su tenedor.

Son caracteres de la aceptación los siguientes:

- Es un acto voluntario. No existe una obligación cambiaria de aceptar una letra; alguien puede obligarse a aceptar en virtud del principio de autonomía de la voluntad, pero no hay acción cambiaria para obligar a cumplir ese compromiso;
- Es un acto puro y simple (art. 30);
- Es un acto de carácter formal;
- Es irrevocable.

La última nota deber ser matizada, limitándose a los casos en que la aceptación haya sido notificada por escrito al tenedor o a un firmante de la letra o se les haya devuelto la letra a los mismos con la aceptación incluida; en cualquier otro, la tachadura o cancelación de la aceptación puesta, determinará que se tenga por no aceptada la letra (art. 34).

2. Requisitos, forma y tiempo de la aceptación: Como en todo acto, respecto de la aceptación cabe distinguir los siguientes requisitos:

a) Subjetivos: La presentación de la aceptación podrá hacerse por el tenedor de la letra o, incluso, por un simple portador (art.25). Por su parte el destinatario de la presentación será el librado y en caso de ser varios los librados, cualquiera de ellos si no se ha indicado lo contrario (art. 31). En su caso habrá de respetarse el orden predeterminado.

b) Objetivos: La presentación a la aceptación no es común a todas las letras; de aquí que pueda distinguirse:

b1. Letras que necesariamente han de presentarse a la aceptación, son las giradas a un plazo desde la vista o aquéllas en que el librador o un endosante lo ha establecido, fijando un plazo para ellos (art. 40 y 26).

b2. Letras que no han de presentarse a la aceptación son las libradas a la vista y las que lo tengan prohibido por el librador (arts. 39 y 26), salvo que sean pagaderas en el domicilio de un tercero o en un lugar distinto al domicilio del librador.

b3. Letras que deben presentarse antes del vencimiento de un determinado plazo o fecha.

En general, salvo los casos indicados, es potestativo del tenedor intentar la aceptación, aunque su interés en ello es evidente por reforzar su posición acreedora.

c) Formales: La aceptación es un acto formal que debe incorporarse a la letra. "Se expresará mediante la palabra "acepto" o cualquier otra equivalente, e irá firmada por el librado. La simple firma de éste puesta en el anverso de la letra equivale a la aceptación (art. 29). En especial, cuando la letra sea pagadera a un plazo desde la vista o cuando tenga un plazo de presentación si lo exige el tenedor. Si falta la fecha necesaria, el tenedor deberá levantar protesto para mantener sus derechos.

La presentación a la aceptación puede estar sujeta a requisitos temporales cuando el librado ha señalado expresamente plazos especiales; incluso más largos que el legal, cuando los han señalado los endosantes (acortándolos sólo, art. 27). A este respecto la Ley Cambiaria es mucho más flexible y sencilla que el sistema del C. de Comercio, que contenía una lista compleja de plazos según el giro de la letra.

La presentación deberá hacerse al librado y en el lugar de su domicilio, como regla general (art. 25). Puede, sin embargo, el librado pedir que se le presente nuevamente la letra al día siguiente. El portador no está obligado a dejar en poder del librado la letra presentada a la aceptación.

La omisión de esta segunda presentación, cuando se pida, podrá reflejarse en el protesto y oponerse por los obligados en vía de regreso (art. 28).

Omitida la presentación de una letra a la aceptación, cuando ésta sea necesaria, se producirá el perjuicio de la letra y el tenedor no podrá utilizar las acciones cambiarias.

3. Efectos de la aceptación: Por la aceptación el librado se obliga a pagar la letra de cambio a su vencimiento (art. 33), de modo que ya podrá dirigirse contra él la acción cambiaria directa (art. 49); con esta acción podrá reclamarse el importe de la letra y todos los conceptos accesorios por cualquier tenedor, incluso si es el propio librado (art. 58 y 59).

Esta obligación es solidaria entre los obligados cambiarios (art. 57).

La acción cambiaria se ejercitará en la forma dispuesta con carácter general en la Ley, pudiendo el aceptante oponer las excepciones previstas en el art. 67 (excepciones objetivas en general, personales frente al tenedor y personales que afecten a tenedores anteriores cuando el demandante haya actuado de mala fe).

La única modulación que el librado-aceptante puede hacer de la obligación es la limitación a una parte de su cantidad. Cualquier otra modificación de la letra que pretenda, implicará la negativa de la aceptación. Dentro de estos límites legales, el aceptante queda obligado en los términos de su aceptación (art. 30).

Además del efecto garantizador fundamental (porque la acción cambiaria no cabe contra el librado no aceptante), la aceptación es el momento oportuno para precisar algunas determinaciones cambiarias: designación del tercero a quién deberá reclamarse el pago,fijación del domicilio del pago (v. art. 32).

4. Efectos de la negativa a aceptar: La falta de aceptación de la letra presentada debidamente ha de reflejarse mediante protesto si el tenedor quiere conservar las acciones cambiarias (de regreso) excepto con la cláusula sin gastos y tiene la obligación de comunicarlo a su endosante y al librador en el plazo de ocho días hábiles así como, en su caso a los avalistas, so pena de responder de los perjuicios que cause su omisión (art. 55).

Denegado, total o parcialmente, la aceptación, el tenedor podrá ejercitar la acción cambiaria de regreso (art. 50 a), siendo ya innecesaria la presentación de la letra al pago y su protesto consiguiente (art. 51).

VII. EL AVAL

1. Concepto: El aval es un acto escrito en el que un tercero se obliga, dentro de la letra, al pago de ella, sea en términos generales y sin restricción, sea en términos limitados.

La Ley Cambiaria y del Cheque regula el aval en el Capítulo IV (arts. 35 a 37) y viene a eliminar algunas de las dificultades que planteaba la regulación del C. de Comercio.

2. Naturaleza jurídica: En el Derecho español el aval ha merecido siempre la calificación de fianza, aunque sujeta a un régimen especial. Se trata de una fianza solidaria en la que, por tanto, el fiador (avalista) no goza de los derechos de excusión y división, así se refuerza la finalidad de garantía que esta figura cumple. Además, en el sistema del C. de Comercio el aval era, sin duda, accesorio a las obligaciones cambiarias, de modo que la nulidad de la obligación cambiaria garantizada acarreaba la nulidad del aval.

> ***"La Ley Cambiaria ha modificado el régimen tradicional, independizando la relación de aval, que ahora merece la calificación de autónoma."***

La Ley Cambiaria ha modificado el régimen tradicional, independizando la relación de aval, que ahora merece la calificación de autónoma. Así, establece que: "será válido el aval aunque la obligación garantizada fuese nula por cualquier causa que no sea la de vicio de forma" (art. 37), excepción lógica, porque en tal caso la nulidad goza de apariencia y el aval carecía de causa legítima. Además el aval se configura como garantía solidaria, de índole formal y que puede ser prestado por firmantes anteriores de la letra.

3. Requisitos del aval:

a) Subjetivos: El aval puede presentarse por un tercero o por un anterior firmante de la letra, que deberán cumplir los requisitos de capacidad exigibles a los fiadores (art. 1828 C. Civil). La garantía debe referirse a una persona concreta, el deudor afianzado, que puede ser cualquiera de los obligados cambiarios. Si no se indica expresamente, se entenderá avalado el aceptante y, a falta de éste, el librador (art. 36).

b) Objetivos: El aval garantiza el pago de la letra, en su totalidad o en parte, por el avalado (art. 35). De la Ley Cambiaria se desprende la única limitación que puede imponerse al alcance de la garantía es la cuantitativa. No permite la Ley que el aval quede sujeto a condiciones o plazos distintos de los de la obligación garantizada.

c) Formales: El aval ha de ponerse en la letra o en su suplemento. Se expresará mediante las palabras "por aval" o cualquier otra fórmula equivalente e irá firmado por el avalista. No producirá efectos de aval cambiario el aval en documento separado (art. 36).

Junto a esta forma expresa, la Ley recoge la implícita: Toda persona que ponga su firma en una letra (anverso) quedará obligada como avalista, siempre que no se trate del librador o del librado, cuyas participaciones en el documento surten efectos distintos.

El aval no escrito o documentado fuera de la letra no es propiamente tal, ni surte sus efectos, sin perjuicio de que haya de considerarsele como fianza.

4. Efectos del aval: Es tradicional su estudio desde tres puntos de vista.

a) Relaciones entre avalista y tenedor de la letra: El avalista responde del pago de la letra "de igual manera que el avalado" (art. 37); sólo en relación con la cantidad a pagar se permite introducir limitaciones (art. 35).

Por tanto, el tenedor podrá reclamar directamente del avalista el pago de la letra (acción cambiaria directa) dado que el aval es una fianza solidaria (art. 57). No existe un order preceptivo de reclamación, ni el hecho de intentar ésta frente a un deudor condiciona el ejercicio de la acción contra el avalista o avalistas del mismo u otro deudor (salvo que la letra se pague).

La falta de pago del librado (y la falta de aceptación) habrán de ser comunicadas a los avalistas del librador o endosante, con los efectos que al incumplimiento de esta formalidad señala el art. 55, es decir, no se perjudica la acción sino que el tenedor va a ser responsable de los daños y perjuicios causados por la falta de comunicación.

La configuración autónoma del aval, que hace la Ley Cambiaria, conduce a estimar que el avalista no podrá oponer al tenedor las excepciones causales que pudiera esgrimir el avalado (art. 37), lo cual constituye un cambio fundamental respecto al derecho anterior.

b) Relaciones entre avalistas y los demás obligados cambiarios: Cuando el avalista pague la letra, adquirirá los derechos derivados de ella contra el avalado y contra los que sean responsables cambiariamente respecto de este último (art. 37). Se trata, pues, de una subrogación del pagador en la posición del acreedor cambiario, pudiendo ejercitarse las acciones en la forma ordinaria: así lo indica la Ley al disponerse: "El mismo derecho (de dirigirse contra cualquiera de los obligados cambiarios) corresponderá a cualquier firmante de la letra de cambio que la haya pagado" (art. 57). El ejercicio de las acciones cambiarias se facilita mediante la entrega obligatoria de la letra al pagador, con la cuenta de resaca y el protesto (art. 60). Podrá reclamar el avalista los intereses y gastos (art. 59) y sólo estará expuesto a las excepciones generales oponibles a las acciones cambiarias (art. 67).

c) Relaciones entre avalista y avalado: El avalista que haya pagado podrá utilizar las acciones para exigir el reembolso del avalado y, claro está, si éste era

un endosante podrá hacer la reclamación **contra los precedentes** en la cadena de **endosos y** contra el librador. La **verdadera especialidad** de esta relación es que **tiene naturaleza** cambiaria, lo cual **entraña** garantías especiales, pero **también** un plazo de prescripción más reducido (art. 87).

VIII. EL PAGO DE LA LETRA

1. Presentación de la letra al pago: En general, las letras de cambio deben ser presentadas al pago por su tenedor en el día de su vencimiento o en uno de los días hábiles siguientes (art. 43). Claro está, que la "carga" así configurada sólo es predicable de la letras que tengan vencimiento (pagaderas en días fijos o en un plazo desde la fecha o la vista).

Si existen varios ejemplares de una misma letra, deberá ser presentado al pago el que contenga la aceptación. Si el pago se hace sobre otro ejemplar, no queda liberado el librado de pagar el ejemplar aceptado que no le haya sido devuelto (art. 80). Pero cuando ningún ejemplar se encuentre aceptado, el pago de uno produce la extinción del derecho de los demás, aunque en ellos no conste esta circunstancia.

La nueva Ley introduce en nuestro derecho la presentación en Cámara de Compensación bancaria y la atribuye plenos efectos. Será preciso para ellos que las letras estén domiciliadas en una cuenta abierta en una entidad de crédito. El régimen procedimental de estas Cámaras se remite a la legislación bancaria (art. 43).

Indudablemente esta medida, unida a la nueva regulación del protesto, supone una agilización notable de los procedimientos cambiarios.

2. Requisitos:

a) Subjetivos: La letra no es un título al portador, por lo que la nueva tenencia del documento no legitima para realizar eficazmente el cobro ni para tener derecho al mismo. Sólo el tenedor legitimado por la cadena de endosos sucesivos debe ser destinatario del pago.

El pagador deberá comprobar que el cobrador está así legitimado. La Ley Cambiaria le impone comprobar la regularidad de la serie de endosos, comprobación formal que no llega a verificar la autenticidad de las firmas (art. 46). Basta resolver esta carga para que el pago sea liberatorio, pero si el pagador incurre en dolo o culpa grave al apreciar la legitimación del tenedor (paga a quien sabe que no es el tenedor legítimo u omite la más elemental diligencia) la obligación cambiaria no se extingue.

Sujeto activo del pago será normalmente el aceptante o aceptantes, si son varios los librados y caso de no haber aceptado cualquiera de los librados (art. 44).

b) Objetivos: El pago supone el cumplimiento de las obligaciones incorporadas a la letra (principal y accesorios, como intereses, art. 6) pero no tiene que ser forzosamente íntegro (contra la disposición del art. 1169 del C. Civil) ya que la Ley Cambiaria establece que: "el portador no podrá rechazar un pago parcial" (art. 45). En este caso el librador (pagador, en general) podrá exigir que se refleje en la letra y que se le de recibo (ya que no se le entregará la letra).

c) Formales: La letra deberá ser pagada en el domicilio señalado en la misma (letra domiciliada) o en el domicilio del librado, pero se producirán situaciones especiales cuando existan varios aceptantes, domiciliados en localidades diversas, pues la Ley concede plazos especiales para realizar las sucesivas presentaciones.

Si existen varios librados, en letra no aceptada, la falta de pago de uno ya habilita para ejercer la acción de regreso, sin necesidad de presentarse a los demás.

Tiempo de pago es el vencimiento de la letra, según su modalidad de giro (art. 39 a 42). El pago anticipado no podrá imponerse al portador y el librado que lo realice queda expuesto al riesgo que suponga no haber pagado al legítimo titular (art. 46).

La Ley Cambiaria permite que el importe de la letra conste en moneda extranjera convertible admitida a cotización oficial en España (art. 1). En este caso el pago deberá hacerse en la moneda pactada, si es posible, con arreglo a la legislación sobre control de cambios (art. 47). De no ser posible, habrá de pagarse en pesetas, haciendo la conversión según el precio vendedor del día del vencimiento.

Si paga el librado-aceptante, todas las obligaciones cambiarias quedan extinguidas; si lo hace un endosante, por vía de regreso, se extinguen también las obligaciones de los endosantes posteriores. Si paga el librador sólo queda en pie la obligación del aceptante y, en su caso, la de reparar el enriquecimiento del librado; finalmente, el avalista que paga adquiere los derechos cambiarios contra el avalado y los precedentes obligados.

En general, la letra pagada deberá entregarse al pagador como recibo (art. 45) y para que pueda reintegrarse de su importe y cantidades accesorias de los otros obligados cambiarios (art. 60).

IX. EL PROTESTO

1. Concepto: "*El protesto es un acto formal que acredita frente a todos el exacto cumplimiento de la obligación de diligencia impuesta por la ley al tenedor de la letra*"—Profesor Garrigues.

Las novedades introducidas por la nueva Ley son la admisión del protesto extranotarial (por declaración privada) y la posible exclusión de la necesidad de protesto (mediante cláusula especial).

2. Clases de protesto:

a) Protesto necesario u ordinario: Es el que debe hacerse en todo caso de falta de aceptación o de pago de una letra, cumpliendo los requisitos procedimentales establecidos en la Ley (art. 51). Tiene naturaleza notarial y su omisión, salvo caso de fuerza mayor, determina que el tenedor pierda todas sus acciones cambiarias frente a los endosantes, librador y demás personas obligadas, con excepción del aceptante y su avalista (art. 63b y art. 64), salvo que el librador haya exigido en la letra el protesto notarial.

b) Protesto extranotarial: Con las mismas notas de "necesidad" que el anterior, la Ley atribuye los efectos cambiarios del protesto a "la declaración que conste en la propia letra, firmada y fechada por el librado, por la que se deniegue la aceptación o el pago (art. 51). Iguales efectos respecto a la negativa de pago surte la declaración del domiciliatario o de la Cámara de Compensación correspondiente, si la letra tiene prevista tal modalidad del pago.

c) Protesto voluntario: Es el levantado por el tenedor para mejor seguridad, sin ser necesario para mantener las acciones cambiarias, según la Ley cabe recoger dos casos:

c1) Protesto realizado a pesar de su dispensa. La Ley Cambiaria reconoce eficacia a la cláusula "devolución sin gastos" o "sin protesto", que supone dispensar al tenedor del protesto para ejercitar las acciones cambiarias. En este sentido, el Tribunal Supremo ya había reconocido la validez de la cláusula "sin gastos" en alguna sentencia como la de 6 de Junio de 1966. La cláusula deberá escribirse en el título y ser firmada por el librador, endosante o avalista que la formule (obviamente no afecta a los demás obligados) y no dispensa de la obligación de presentar la letra en los plazos hábiles.

La cláusula firmada por el librador surtirá efectos generales y si el tenedor realiza el protesto, deberá correr con los gastos. Por el contrario, la formulada por un endosante o avalista no excluye la necesidad del protesto en relación con los demás obligados, por lo que los gastos podrán reclamarse de los demás firmantes (art. 56).

c2) Protesto en caso de quiebra, concurso o suspensión de pagos del librado. La existencia de un procedimiento de ejecución general (incluida la suspensión de pagos) se considera suficiente para acreditar la falta de pago, bastando la presentación del auto judicial declarativo del correspondiente estado para poder ejercitar las acciones cambiarias (art. 51). No es preciso el protesto, ni al cumplirse el vencimiento normal ni por anticipación de éste, como establecía el C. de Comercio (art. 510).

d) Protesto por falta de aceptación o por falta de pago: La única diferencia entre ambos, los distintos actos cuya omisión se trata de acreditar, repercute en los plazos fijados para su realización.

El primero deberá hacerse en los plazos fijados para la presentación a aceptación y dos días hábiles siguientes al vencimiento de la letra, salvo cuando sea pagadera a la vista, en que deberán respetarse los plazos del anterior.

El protesto por falta de aceptación exime de presentar la letra al pago y de levantar protesto por falta de pago (art. 51).

3. Requisitos del protesto notarial:

a) Iniciación: Dentro de los plazos examinados, el tenedor de la letra presentará el título al Notario competente (del domicilio del librado) el cual levantará acta en la que se reproducirá la letra.

b) Notificación: El día hábil siguiente, el Notario notificará el protesto al librado o librados mediante cédula en la que se reproducirá la letra. El Notario se identificará, localizará su despacho y advertirá al librado de su derecho a comparecer para examinar la letra, pagarla, aceptarla y hacer manifestaciones que se incorporen al acta.

c) Comparencia: Podrá realizarse hasta las catorce horas del segundo día hábil siguiente a la notificación, manteniendo, entre tanto, el Notario la letra en su poder.

d) Conclusión: En cualquier otro caso distinto a los expuestos el Notario entregará al tenedor la letra con el acta de protesto antes de los cinco días hábiles siguientes (art. 53).

4. Efectos:

a) Probatorio de la presentación oportuna de la letra de la negativa del librado (art. 51).

b) Conservativo de las acciones cambiarias por el tenedor (art. 63).

c) Responsabiliza al librado de los gastos producidos (art. 58). No es preciso, sin embargo, para poner en mora al deudor cambiario, ya que la Ley determina la mora automática, con obligación de abono de intereses desde el vencimiento de la letra.

Al protesto deben seguir las denominadas, por la Ley, "comunicaciones", es decir, notificaciones subsiguientes de naturaleza privada por las que el tenedor participa a los distintos obligados cambiarios (endosante, librador, avalista) que la letra ha sido protestada. Las comunicaciones deberán realizarse en un plazo de ocho días hábiles cuyo cómputo varía según el tipo de protesto y, en su caso, darán lugar a una cadena de comunicaciones entre endosantes. Podrán realizarse en cualquier forma, incluso por correo y su omisión no perjudica las acciones cambiarias, pero hace responsable de los perjuicios que puedan sobrevenir al que las omita (art. 55).

X. ACCIONES POR FALTA DE ACEPTACION Y FALTA DE PAGO

Acciones cambiarias son las que tienen por objeto lograr el pago de la letra de cambio por parte de los obligados.

Precisamente, según cual sea demandado, se distingue la acción cambiaria de regreso contra cualquier otro obligado (librador, endosante, sus avalistas, art. 49), de la acción directa sobre el aceptante y sus avalistas.

Precisamente, según cual sea el demandado, se distingue la acción cambiaria de regreso contra cualquier otro obligado (librador, endosante, sus avalistas, art. 49), de la acción directa sobre el aceptante y sus avalistas.

El ejercicio de ambas acciones no está sometido a un orden prefijado: entre los obligados cambiarios se da solidaridad, de modo que el tenedor podrá proceder contra todos individual o conjuntamente y también dirigirse contra los demás obligados, una vez intentada, infructuosamente, la acción contra uno de ellos (art. 57). El único requisito formal a cumplir es la notificación de la falta de aceptación o pago, con los efectos limitados que señala el art. 55, pero si no se hiciese esta notificación, la acción se conserva y sólo habra de responderse de los daños y perjuicios causados.

A su vez la acción de regreso puede ser ejercitada por el tenedor o el pagador de la letra e incluso instrumentándose mediante la letra de resaca.

La acción cambiaria tiene por objeto la presentación al cobro de las siguientes cantidades: Importe de la letra, con los intereses pactados; intereses moratorios, calculados al tipo básico del Banco de España incrementado en dos puntos; gastos de protesto, comunicaciones y otros. Se practicará el descuento correspondiente cuando la acción se ejercite antes del vencimiento (art. 58).

> *"La Ley Cambiaria regula sólo un aspecto de la provisión: El régimen para su cesión."*

La letra de cambio lleva aparejada ejecución a los efectos previstos en los art. 1429 y siguientes de la Ley de Enjuiciamiento Civil, para la reclamación de las cantidades correspondientes, sin necesidad del reconocimiento judicial de las firmas (art. 6).

Es decir, la letra sin ningún complemento especial, es título suficiente para utilizar el proceso declarativo especial que se conoce como juicio ejecutivo.

Claro está que no es éste el único procedimiento judicial aplicable, puesto que el incumplimiento de los requisitos característicos del mismo (especialmente el límite mínimo de la cuantía, más de 50.000 pts.) o simplemente el procedimiento declarativo ordinario que corresponda a su cuantía.

La acción cambiaria ordinaria se ejercitará en la forma regulada por la Ley de Enjuiciamiento Civil, sin ninguna especialidad procedimental y no podrá simultanearse con la acción ejecutiva (Sentencia de 3 de Mayo de 1973).

La acción ejecutiva no requiere el reconocimiento de las firmas para que se despache la ejecución (la Ley Cambiaria modifica, pues, el art. 1429 No. 4 LEC), ni que se acredite la notificación del protesto a los obligados en vía de regreso, lo cual supone una alteración fundamental del régimen anterior. El valor mínimo de la pretensión ha de alcanzar las 50.000 pts., admitiéndose la adición de varios títulos con un mismo deudor. Si no se alcanza dicho límite habrá de acudirse a la acción ordinaria ejercitable en juicio verbal (arts. 1435 y 486 LEC, modificados por Ley de 6 de Agosto de 1984). El juicio ejecutivo se desarrolla por los trámites previstos en la Ley Procesal, sin más especialidad que el régimen sobre posibilidad de levantar el embargo decretado.

Debe recordarse que las sentencias dictadas en juicio ejecutivo no surten los efectos de cosa juzgada (art. 1479 LEC).

La Ley Cambiaria lleva a cabo una completa revisión del régimen de excepciones, informándose en los siguientes criterios:

1. Incorporación del sistema recogido en la Ley Uniforme de Ginebra.
2. Estableciendo un régimen de excepciones general para toda acción cambiaria, se ejercite en juicio ejecutivo o a través de un proceso declarativo ordinario.
3. Recepción de la distinción doctrinal entre excepciones personales y reales con el fin de proteger al tenedor de buena fe.
4. Encaje del nuevo régimen en la ordenación tradicional del proceso civil, sobre todo en juicio ejecutivo, cuya regulación se modifica limitadamente.
5. Exclusión del régimen de las excepciones de las normas procesales pasando a establecerse por la Ley sustantiva.

La Ley contiene dos preceptos fundamentales:

- Art. 20: "El demandado por una acción cambiaria no podrá oponer al tenedor excepciones fundadas en sus relaciones personales con los tenedores anteriores, a no ser que el tenedor al adquirir la letra, haya procedido a sabiendas, en perjuicio del deudor".
- Art. 67 Parr. 1: "El deudor cambiario podrá oponer al tenedor de la letra las excepciones basadas en sus relaciones personales con él. También podrá oponer aquellas excepciones personales que él tenga frente a los tenedores anteriores si al adquirir la letra han procedido a sabiendas en perjuicio del deudor".

Ambos preceptos, unidos, determinan el ámbito de la posible utilización de las excepciones personales o causales, es decir, basadas en la relación causal, contrato subyacente, y en los pactos que han dado origen a la letra.

No existe ningún límite cuando las relaciones previas y los motivos de oposición surgen entre el tenedor del título y el deudor cambiario. Sin embargo, cuando el tenedor sea un tercero sólo estará expuesto a este tipo de excepciones personales cuando su adquisición del título sea dolosa. La Ley alude, a este respecto, la adquisición "a sabiendas en perjuicio del deudor", evitando otros posibles calificativos de la conducta que han ocasionado problemas en el Derecho Comparado.

En relación con las excepciones reales, oponibles a cualquier poseedor de la letra, por entenderse que se fundan en motivos que afectan al Título mismo y a la obligación incorporada al mismo, la Ley Cambiaria ha prescindido de dogmatismos. El art. 67 parr. 2 enumera las excepciones que "además" (de las personales) podrá oponer el demandado cambiario, incluyendo más bien motivos amplios de oposición en los que podrán acogerse excepciones concretas diversas.

Estos grupos de excepciones son los siguientes:

A) Las que afecten a la existencia o a la validez de la declaración cambiaria del demandado, incluso la falsedad de la firma.

B) Las fundadas en la falta de legitimación del tenedor.

Deben relacionarse con el art. 19 de la Ley que muestra hasta qué punto el tenedor es protegido frente al anterior titular desposeído. La excepción se reducirá normalmente a denunciar la ruptura de la cadena de endosos o al carácter viciado de la posible cesión ordinaria que se haya realizado.

C) La falta de las formalidades necesarias para la letra, según lo dispuesto en la Ley.

Se trata de excepciones reales por excelencia, en las que debe incluirse la falta del reintegro debido a los efectos del gravamen sobre Actos Jurídicos Documentados, que privan a la letra de fuerza ejecutiva (art. 37 del Texto Refundido de 30 de Diciembre de 1980).

D) La extinción del crédito cambiario cuyo cumplimiento se exige al demandado.

Tendrán aqui cabida cuantas formas de extinción del crédito puedan darse, sin vinculación con los pactos antecedentes, como el pago, la prescripción o caducidad (motivo éste de carácter procesal: falta de los requisitos necesarios para el ejercicio de la acción), la amortización del título, la consignación...

Las excepciones así determinadas pueden constituir un "Numerus clausus" sin que padezcan los principios de justicia y así lo determina la Ley al señalar que "frente al ejercicio de la acción cambiaria sólo serán admisibles las excepciones enunciadas en este artículo".

El texto legal sirve asi también para delimitar su ámbito de aplicación: las acciones cambiarias, cualquiera que sea el proceso en que se ventilen, no las extracambiarias.

XI. LA INTERVENCION

La Ley Cambiaria recoge dos formas tradicionales, según el momento en que se produce, de intervención en la aceptación y en el pago.

1. Aceptación por intervención: Esta circunstancia debe reflejarse en la letra con la firma del interviniente y señalando la personal por cuya cuenta se realiza.

Puede realizarse sólo cuando la letra ha de entenderse desatendida, es decir, cuando cabe ya acudir a la vía de regreso antes del vencimiento (art. 50). Por ello se presume que la intervención se hace por cuenta del librador, principal obligado en dicha vía (Art. 71).

Según la Ley, el tenedor podrá rechazar la intervención, lo cual es un cambio radical al sistema del Código de Comercio, pero si la admite,desplegará efectos liberatorios (art. 72).

El interviniente-aceptante responderá en la misma forma que la persona por cuya cuenta actúa, pero ésta (y sus avalistas) no queda totalmente marginada de la relación cambiaria, pues en caso de que pague la letra, la Ley le confiere el mismo trato que a los obligados cambiarios (puede exigir la entrega de la letra con el protesto y la cuenta de resaca: cfr. arts. 60 y 73).

2. Pago por intervención: Cualquier letra pordrá pagarse por intervención siempre que no esté perjudicada, es decir, mientras el tenedor pueda ejercitar la acción de regreso antes o después del vencimiento.

El pago que haga el interviniente debe ser total, realizarse hasta el último día del plazo concedido para levantar protesto por falta de pago y no ser rechazada por el tenedor para que surta efecto (arts. 74 y 75). El rechazo determinará también la pérdida de las acciones del tenedor contra los obligados que hubiesen sido liberados por el interviniente.

También contempla la Ley el caso, poco real, de consecuencia de pretendidos intervinientes, dando preferencia al que libere a mayor número de obligados.

El pago por intervención deberá reflejarse en la letra, señalándose la persona a cuyo favor se hace y dará lugar a la entrega del título al pagador, con el protesto, para que pueda ejercitar las acciones de reembolso contra la persona por cuya cuenta se hizo y contra los firmantes anteriores. Todos los firmantes posteriores a aquél quedan liberados (art. 77). La acción de reembolso queda sujeta al régimen y modalidades previstas en general por la Ley (art. 59 y siguentes).

XII. EL REGRESO CAMBIARIO

Consiste en el uso que hace el tenedor de la letra de la garantía que otorga el librador, endosantes, y avalistas, en virtud de sus respectivas obligaciones cambiarias.

La Ley Cambiaria regula el regreso dentro del capitulo relativo a las obligaciones cambiarias (cap. vii) configurándolo como medio para obtener el pago de la letra. Queda, pues, eliminada la posibilidad de regreso encaminado sólo al afianzamiento o depósito del importe (regreso de causión) que el Código de Comercio configuraba para los casos de falta de aceptación (art. 481).

Ordinariamente suelen clasificarse los supuestos de regreso teniendo en cuenta el fundamento de la apertura de esta vía (falta de aceptación, falta de pago, falta de seguridad en el librado), que se traduce también en diferencias objetivas. Sin embargo, la Ley Cambiaria hace más fructífera la distinción que se basa en el sujeto que ejercita la acción y en el momento del ejercicio.

Regreso del tenedor de la letra: El tenedor puede ejercitar su acción de regreso contra el librador, endosantes y demás personas obligadas. Tal acción podrá ejercitarse:

- Antes del vencimiento de la letra, sólo en los casos siguientes:

Cuando se haya denegado (total o parcialmente) la aceptación, cuando el librado se encuentre en situación de crisis económica (suspensión de pagos, quiebra, concurso, embargo infructuoso de sus bienes) o cuando el librador de la letra, cuya presentación a la aceptación haya sido prohibida, se encuentre en dicha situación. En los casos de crisis, el Juez podrá señalar al obligado respectivo un plazo para pagar la letra (art. 50) que en ningún caso excederá del día del vencimiento de la misma.

- Una vez vencida la letra, si no ha sido pagada: el regreso tiene por finalidad obtener el pago de la letra, añadiéndose a su importe las cantidades accesorias que señala la Ley (art.58): Los intereses pactados en la letra, los intereses (moratorios) devengados al tipo de interés básico del Banco de España aumentado en dos puntos y desde el vencimiento, los gastos, incluidos los de protesto y comunicaciones.

Si el pago se realiza antes del vencimiento deberá descontarse el importe de la letra al tipo de interés moratorio antes señalado.

Regreso del pagador de la letra: Quien haya reembolsado una letra de cambio, excepto el librado, podrá dirigirse en vía de regreso contra los obligados cambiarios que le precedan.

La cantidad a repetir comprenderá lo que haya pagado (que resultará de la letra y de la cuenta de resaca que le debe entregar el tenedor, art. 60), con sus intereses y los gastos realizados (art. 59).

Ofrece alguna especialidad el regreso por pago parcial de la letra que comprenda la parte no aceptada de ella, ya que, el no poder serle entregada la letra original, habrá de sacarse una copia autentificada que le permita ejercitar su acción.

Ejercicio de las acciones de regreso: El regreso podrá intentarse mediante reclamaciones particulares, en vía judicial o por la expedición de una letra de resaca.

La acción cambiaria que puede ejercitarse a través del procedimiento ejecutivo propio de este título (art5éculo 66 y siguientes).

Pero es característica de la letra la vía extrajudicial consistente en el giro, por el acreedor en vía de regreso, de una nueva letra, a la vista, sobre cualquiera de los obligados cambiarios y por el importe exigible más los gastos de emisión (letra de resaca). En caso de impago de un letra de resaca no puede girarse una nueva letra de este tipo.

XIII. PRESCIPCION Y DECADENCIA DE LA ACCION CAMBIARIA

1. Distinción: Las acciones cambiarias pueden verse afectadas por el transcurso del tiempo en dos sentidos: Pueden extinguirse por prescripción, al transcurrir los plazos marcados por la Ley sin ser ejercitadas, y puede ocurrir que el acreedor pierda la posibilidad de ejercitarlas, porque ciertos requisitos impuestos por la Ley deban realizarse en un tiempo determinado y el tenedor los haya omitido (decadencia).

2. Prescripción: La Ley Cambiaria ha innovado sustancialmente esta materia diversificando los plazos,aplicables según el titular y los destinatarios de las acciones (art. 87).

Para las acciones cambiarias se establecen los siguientes plazos:

a) Acción directa, contra el aceptante, tres años desde el vencimiento.

b) Acción de regreso, contra los endosantes o el librador, distiguiendo la ejercitada por el tenedor (un año desde el protesto o vencimiento) y la ejercitada por un endosante (seis meses desde que pagó o desde que ha sido demandado para ello).

La acción de enriquecimiento prescribe a los tres años desde la pérdida de las acciones cambiarias (art. 65) y las acciones causales prescribían, según su naturaleza, con sujeción a las reglas generales.

Se interrumpirá la prescripción por cualquiera de las formas previstas en nuestro derecho (art.1973 C. Civil) sin que, a estos solos efectos, tenga aplicación el régimen de solidaridad de los obligados cambiarios (art. 89). Es decir, que la interrupción de la prescripción sólo va a surtir efectos a favor de aquél que haya efectuado el acto que la interrumpa.

3. Decadencia: El tenedor pierde sus acciones cambiarias excepto lo que le corresponde contra el aceptante y sus avalistas, cuando la letra se perjudique por su culpa.

Esto sucede cuando omite su presentación en tiempo hábil a la aceptación o al pago (letra sin protesto), o cuando no levanta el protesto necesario (en cualquiera de sus formas), salvo que concurra fuerza mayor debidamente comunicada (art. 63 y 64). Se trata, pues, del incumplimiento de plazos preclusivos, puestos por la Ley o por las partes, o de requisitos formales puestos en garantía del funcionamiento de la letra. Por ello, la omisión de la presentación a la aceptación se sanciona con especial rigor, la pérdida del regreso por falta de pago.

En estos casos, si el tenedor tampoco dispone de acciones causales contra los obligados, el ordenamiento le concede el remedio final de la acción de enriquecimiento, que evita la consumación definitiva de una situación injusta (art. 65).

XIV. DUPLICADO Y COPIAS DE LA LETRA DE CAMBIO

Los duplicados, al igual que las copias tienen función preventiva, para asegurar al tenedor contra el peligro de perder la letra y para facilitarle la circulación del título. Por esta razón y salvo indicación expresa de la unilateralidad del ejemplar, cualquier tenedor podrá exigir del librador (a través de la cadena de endosantes) la expedición, a su costa, de otros ejemplares (art. 79).

La emisión de varios ejemplares de una letra puede también hacerse posteriormente a instancia del tenedor si la letra no lo prohibe. Los nuevos títulos deberán reproducir íntegramente el anterior incluso recogiendo todos los endosos que tuviera.

En los supuestos normales, el pago de un ejemplar supone la extinción de los derechos incorporados a los restantes, sin necesidad de que en ellos conste expresamente esta circunstancia (implícita en la manifestación de su carácter de duplicado).

Copias de la letra de Cambio: "Todo portador de una letra de cambio tendrá derecho a sacar copias de ella" (art. 82). Las copias son reproducciones del original de la letra, pero no incorporan las firmas de todos los intervinientes en la letra, como duplicados, sino que las realiza el tenedor por sí. En consecuencia tampoco producen los efectos cambiarios propios de aquéllos, aunque se saguen para el mismo fin: Permitir que la letra circule mientras el original se remite a su aceptación.

La copia debe reproducir exactamente el original e indicar donde acaba. Esta mención es fundamental, ya que a partir de este punto la copia incorporará las firmas originales de los nuevos endosantes y sus avalistas.

Si el tenedor de la copia no dispone, al tiempo, del original, sólo podrá ejercitar la acción de regreso contra los endosantes que figuren en la copia con su firma original y sus avalistas. Obviamente no tendrá acción cambiaria contra el aceptante, porque la aceptación se pone en el original, no en la copia, pero tampoco contra el librador o los endosantes de la letra original porque en la copia no figuran sus firmas originales. El tenedor deberá levantar protesto para hacer constar fehacientemente la falta de entrega del original.

Las copias, como los duplicados, pueden ser medio de fraude si se hacen circular paralelamente el original y la copia de la letra. Para evitar este peligro la Ley configura la claúsula de prohibición de endosos en el original ("a partir de aquí el endoso no valdrá más que en la copia", art. 83) que supone configurar la copia como único instrumento válido para la circulación de una letra de cambio.

Duplicado para los casos de pérdida del original: La Ley permite que, en caso de extravio, sustracción o destrucción de la letra, su tenedor obtenga un duplicado si ésta no ha vencido. Para ellos será necesaria la instrucción de un poder judicial (de jurisdicción voluntaria, si no hay oposición, conviertiéendose en contencioso de tramitación abreviada si aparece aquélla) en el que se acrediten los elementos de la letra y las circunstancias de su pérdida.

La orden del Ministerio de Economia y Hacienda de 16 de Diciembre de 1985 dispone que a partir del 1 de Enero de 1986 y en tanto no se apruebe con nuevo modelo de letra de cambio, éstas se extenderán en el actualmente existente.

Cuando la letra no se expida a la orden, se consignará a continuación de esta expresión la de: "queda anulada la cláusula a la orden", indicando seguidamente el nombre de la persona a quien debe de hacerse el pago.

EXCHANGE REGULATIONS

Prepared by PRICE WATERHOUSE & CO., Madrid

Resolution Sets Rules on Foreign Peseta Accounts

In accordance with Royal Decree No. 1723 of Aug. 28, 1985 and the Resolution of the Foreign Exchange Authorities of Dec. 20, 1985, there are now only two types of peseta accounts which may be held by non-resident persons or entities.

1. Convertible peseta accounts;
2. Non-convertible pesetas accounts.

The Resolution sets out the rules governing non-convertible peseta accounts. We highlight below the changes of particular interest to American readers. For further information apply to any of the offices of Price Waterhouse in Spain.

1. Convertible peseta accounts: No changes are made in the regulations of Royal Decree No. 1146 of July 15, 1961 and the Order of Jan. 23, 1981.

The peseta bank accounts with Andorra, emigrant savings accounts and post office current accounts, are now integrated into the convertible peseta accounts.

2. Non-convertible peseta accounts. Ordinary peseta accounts for non-resident contractors, for tourists and the foreign accounts in internal pesetas are now integrated into the non-convertible peseta accounts.

3. Balance of non-convertible peseta accounts.

A) They cannot be overdrawn.

B) They may be used for:

a) Paying for living expenses while in Spain;

b) Transferring to other non-convertible peseta accounts;

c) Making a foreign investment in Spain.

They may not be used for any other purposes without the approval of the foreign exchange authorities.

C) They are not convertible, except for:

a Foreign investments which were made from such accounts. To be allowed to transfer abroad, the investment must comply with the follow-

ing requirements, that:

- The project has been agreed to by the foreign exchange authorities.
- The investment has been formalized before a notary public.
- The investment has been notified to the Foreign Investment Registry.
- The investment has been held during a minimum period of three years.

Both the investment and the profit may be transferred abroad.

b) Interest credited by bankers on these accounts.

c) Investments made prior to Jan. 15 1986 in the now extinguished "Foreign Accounts in Internal Pesetas," which have not been duly notified to the Registry of Foreign Investments.

4. Effective date: Royal Decree No. 1723 was effective Jan. 1, 1986 and the Resolution of the Foreign Exchange Authorities of Dec. 20, 1985 was effective Jan. 15, 1986.

CURRENT LEGISLATION IN SPAIN

(CONTINUIED FROM PAGE 46)

4. Head of State. Law 15/1986 of April 25, 1986 on Labor Stock Companies.

This law will be enforceable as of May 31st. Labor Stock Companies will be those fulfilling the following requirements:

1) 51% of the stock shall belong to the workers whose work contract conveys a personal and direct relationship with the employee. Their labor relation shall be unlimited and the work performed on a fulltime basis.

2) The stock capital at the time the company is established, shall be completely subscribed. 25% of the subscribed capital shall be disbursed at the time the company is established. The remaining 75% of the capital shall be disbursed in one year.

3) None of the stockholders may own more than 25% of the capital, unless they are Public Entities, who are entitled to own up to 49%. (OSG April 30, 1986).

5. Ministry of Labor and Social Security. Royal Decree 1671/1986 of August 1, 1986 approving the Regulation of the Law for the Assignment of the Accumulated Union's Patrimony. (OSG August 8, 1986).

ECONOMICS

1. Ministry of Economy and Finance; Resolution of Jan. 27, 1986 of the General Directorate of Treasury and Financial Policy, establishing the regulations for the reimbursement of the securities in 1986 of amortized domestic and redeemable National Debt, formalized by State Bonds on May 11, 1983 (OSG Feb. 2, 1986).

2. Ministry of Economy and Finance; Order of Dec. 30, 1986 regulating the funds of Financial Entities (OSG Feb. 4, 1986)

These funds will be formed by the following elements:

a. The disbursed capital;
b. The real and expressed reserves;
c. Up to 35% of the provisional benefits of the fiscal year may be added to the Funds of the Financial Entities.

3. Ministry of Economy and Finance; Royal Decree 324/1986 of Feb. 10, establishing a new accounting information system of the State Administration and reorganization of payments (OSG Feb. 18, 1986).

The accounting information system regulates every economic and financial operation of the State Administration. This system provides a network which connects independent units of information. A decentralization of accounting management has taken place in an attempt to coordinate accounting and economic management. The double-entry accounting system has computerized support.

4. Ministry of Economy and Finance; Order of April 21, 1986 regulating the rules for the elaboration of the Spanish Budget for 1987 (OSG April 24, 1986).

The General Budget will include:

a. The State.
b. The administrative autonomous organisms;
c. The Social Security system;
d. The commercial, industrial and financial autonomous organisms;
e. The state companies;
f. Public administration agencies.

5. Presidency of the Government; Royal Decree 874/1986 of April 11, 1986 assigning to the Ministry of Economy and Finance certain functions on matters of regional development (OSG April 30, 1986).

These functions are assigned in order to obtain different resources from the European Fund for Regional Development, as well as the incentives provided by Law 50/1985 of Dec. 23, 1985 on Regional Incentives.

EUROPEAN ECONOMIC COMMUNITY

1. Ministry of Justice; Royal Decree 607/1986 of March 21, 1986 developing the Directive of the European Community Council (EEC) of March 22, 1977 regulating the free performance of attorneys' services (OSG April 1986).

EEC attorneys established on a permanent basis in their countries of nationality will be entitled to develop their professional activities in Spain on a temporary basis, but they will not be allowed to settle their offices on Spanish soil.

Services on a temporary basis will include: Consulting, legal advice, and judicial action.

A communitary attorney who has performed in the same year more than five services before collegiate courts or ten before impersonal or administrative agencies will be subject to the regulations of the right of establishment.

2. Presidency of the Government; Royal Decree 1099/1986 regulating the accession, stay, and work in Spain of citizens of Member States of the European Community (OSG June 11, 1986).

THE BUSINESS LINK

A quarterly review published as a service to its members by the SPAIN-USA CHAMBER OF COMMERCE Inc., a non-profit organization, 350 Fifth Avenue, New York, NY 10118; telephone (212) 967-2170. Copyright 1967. Subscription rates: $25.00 per year (USA and Canada); 5,000 pesetas per year (Spain). Printed in the United States of America.

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JULIO IGLESIAS, MRS. CORNELIUS VANDERBILT WHITNEY, PLACIDO DOMINGO Y OSCAR DE LA RENTA A LA FIESTA ANTERIOR DE LA CASITA MARIA.

La Casita María celebrará su Fiesta Anual el 29 de Octubre

Casita Maria, la obra social más antigua de Nueva York para atender las necesidades de los hispanos de la ciudad, celebrará su Fiesta anual el próximo miercoles 29 de Octubre con una cena-baile en el Hotel Plaza. Los invitados de honor de la presente edición de la Fiesta serán Dña. Amalia Fortabat, Mario Moreno "Cantinflas", y el productor de teatro Joseph Papp. En años anteriores Julio Iglesias y Plácido Domingo fueron invitados de honor de la Fiesta.

Casita Maria lleva a cabo desde hace años una encomiable labor humanitaria entre los necesitados, a través de sus centros de Harlem y del Bronx. La Fiesta es el principal medio de recaudación de Casita para mantener sus programas de ayuda familiar, prevención de drogas y educación. Provee además más de 500 comidas diarias a los ancianos necesitados de las zonas más deprimidas.

Cada vez son más las personas que colaboran día a dia con esta necesaria obra social. La Cámara, consciente de la encomiable labor que representa Casita Maria, invita a aquellos miembros y amigos que tengan interés en recabar una mayor información, asi como a aquellos interesados en asistir a la Fiesta, a dirigirse a: Casita Maria Fiesta 86 Office; 720 Fifth Avenue; New York, NY 10019; tel. (212) 581-7370.

ALFREDO ORTIZ MURIAS, PRESIDENTE DE CASITA MARIA

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Totem Trading International
Importers/Agents
7128 Holmes Island Road S.E.
Olympia, WA 98503
Tel: (206) 496-5475

Regalos: artesanía, tapices, joyeria:
The Pugliese Co.
P.O Box 535
Wellsboro, PA 16901
Tel: (717) 724-5828
Attn: Mr. Charles Pugliese

Azulejos:
Bryda Day Realty
One Wesel Road
Manuet, New York 10954
Attn: Mr. Eugene T. Bryda

Juguetes de látex:
Tri-Crown, Inc
431 N. Midland Ave
Saddle Brook, NJ 07662
Tel: (201) 794-7735
Telex: 642771
Attn, Fred Faas, Vice President

Articulos de novias:
Bridal Industries
P.O. Box 27551
Houston, Texas 77227
Attn: Mr. Tony Pitts

Muebles:
Furniture Gallery
581 Sixth Avenue
New York, NY 10011
Tel.: (212) 924-8802
Attn: Robert Fireman

Filtros de aceite para vehiculos:
Kervanjian & Associates
14281 82nd Avenue
Seminole, FL 33542

Cuchillos:
Meyers Outfitters, Inc.
78 Springfield Avenue
Newark, NJ 07103
Tel. (201) 624-3333

Porcelanas y muebles:
Antonio Settepani
45 Monitor Street
Brooklyn, NY 11222
Tel. (718)383-6490; (212)982-5854

Compañías empaquetadoras de: alcachofas, tomates, naranjas, melocotones:
Manor House International Inc.
Princeton Corporate Center
3 Independence Way
Princeton, NJ 08540
Attn: Joseph J. Artesi, Pres.

Botes de plástico y cristal para cosméticos:
Ilona of Hungary, Inc.
3201 East Second Avenue
Denver, Colorado 80206
Tel: (303) 320-5991
Telex: 511933 ILONA DUR
Attn: George Meszaros, V.P.

Polen de abeja; aceite de oliva; niacina:
Mutchler Chemical Co.
99 Kinderkamack Road
Westwood, NJ 07675
Attn: Mr. Glenn Mutchler

Joyeria en oro y plata:
Johnson Enterprises
Import-Export
116 Willowwood Lane
Levelland, Texas 79336
Tel: (806) 894-4190
Attn: Mr. Don Johnson

Ropa de mujer; zapatos de piel:
Mazina Cheung
32 West Farms Lane
Commack, NY 11725
Tel.: (516) 979-6325

U.S. FIRMS SEEKING REPRESENTATION

Cosmetics: Seek agents in your area to represent us on anexclusive basis; a well known brand of cosmetics:
Tradewinds Industries, Inc.,
P.O. Box 821
Northridge, CA 91328
Telex: 510 600 9391

Import-Export Firm involved in many aspects of international trade desires to represent Spanish firms and to be represented in Spain:
Walters International
Box 3604
Altamonte Springs, FL 32701

Importan y exportan, entre otros: Novelty, new mail order and unique items; all kinds of light and heavy machinery & equipment; raw materials, including chemicals, scraps of all kinds, etc.:
David Factors International
Corp.
P.O. Box 19539
Las Vegas, Nevada.

Gift items importing/marketing:
Horizon Enterprises
P.O. Box 18512
Washington, DC 20036
Tel. (703) 9980709
Telex: 6502794262 MCI
Attention: M. Rydberg

Representative for information & telecommunication systems:
Intrafed, Inc.
11920 Ledgerock Ct.
Potomac, MD 20854
Tel.: (301) 279-0252
Attention: John R. Meshirisky

Products in general:
Cole International
2875 South Ocean Boulevard
Palm Beach, FL 33480
Attn: Mr. Thomas J. Cole

Import-export chemical products from Spain:
Twilight International Inc.,
P.O. Box 7458,
Silver Spring, MD 20907

Sistems de refrigeración:
Fabricante americano busca representantes y distribuidores de estos productos en Españna para su venta al por mayor:
Temprite
1555 Hawthorne Lane
West Chicago, IL 60185;
tel: (312) 293-5910.

Offers representation for companies dealing with machinery:
Burkhard Frank Inc.
143 Border Ct
P.O. Box 594
Denver, NC 28037

BUSINESS OPPORTUNITIES — OPORTUNIDADES COMERCIALES

SPANISH PRODUCTS OFFERED

Rubber flooring/paving products:
Ibercaucho, S.A.
San Vicente, 23
Izarra (Alava)
Tel.: (945) 437188
Telex: 35408 IBSL E

Sprinklers:
Grupo Chamartin, S.A.
Ruiz de Alarcón, 27
28014 Madrid

Machine tools:
S.A. Tarragona
Fábrica de Máquinas-Herramientas
Urgel, 143
08036 Barcelona
Tel.: 253 0205 - 253 1555

Dolls; lamps:
Muñecas Endisa
c/ Eras, 13
Onil (Alicante)
Tel.: (965) 564474

Building materials:
Prefabricados Mafer, S.A.
Cabo de Peñas, 9 - Compostilla
Ponferrada (León)

Costume jewelry:
Interestilo, S.L.
Vinalopó, 8
46021 Valencia
Tel.: (34-6) 362 4516
Telex: 64466 STIL - E

Educational toys; puzzles:
Sebastián Bosch Representaciones
Travessera de Coll-Blanch, 51
L'Hospitalet (Barcelona)

Bonded leather:
Resol - Cueros Regenerados Españoles, S.L.
General Sávila, 5
Elda (Alicante)
Telex: 68231 CRGN - E

Leather articles; shoes; footwear; belts; morocco leatherwork:
Vidal Bosch, S.A.
Baja de San Antonio, 75-79
Igualada (Barcelona)
Tel.: (93) 803 2100
Telex: 50352 VIBOS E

Cements and plasters:
ALGYPSA - Almeria Gypsum, S.A.
Balmes, 109 -pral. 1ª
08008 Barcelona
Tel.: (93) 253 8426

Wooden doors and window frames:
JHER - Jesús Herrero, S.A.
Fausto Herrero 8, Apdo. 1
Iscar (Valladolid)
Tel. (983) 612261
Telex: 26477 JHIS E

Andalusian products in general:
Comercializadora de Productos Andaluces, S.A.
Avda. Repúlblica Argentina 50
41011 Sevilla
Tel.: 459011
Telex: 72342 CDPA E

Saffron:
Exportaciones Manchegas, S.L.
Doctor Gómez Ulla, 8,
5° Dcha.
28028 Madrid
Tel.: (91)245 56 39 / 245 62 68

Test benches for injectors, pumps for diesel and gasoline engines:
Construcciones Mecánicas Magasa, S.A.
San Gabriel, 11-13
Esplugas del Llobregat
(Barcelona)
Tel.: (93)3710166
Telex: 59158 MGSD-E

Slate:
BCG Consultores, S.A.
D. Rarnón de la Cruz, 88
28006 Madrid

Chemical products for automobiles: brake liquids, antifreeze agents:
Naval, S.A.
Barrio Bolado, 22, Apdo. 2086
Herrera de Camargo
Cantabria
Tel.: 15 15 77
Telex: 35676 NALI - E

Canned fruits & vegetables:
Conservas Mundi Fulgencio Hernández, S.A.
Atenza, 28
Molina de Segura (Murcia)
Tel.: (968) 61 05 12
Telex: 67183 MNDY

Clutches and brakes: hydraulic, electromagnetic, pneumatic:
EIDE -Embratges i Derivates, S.A.
Caresmar, 46-52
Sabadell (Barcelona)
Tel.: (93) 726 8422
Telex: 59818

Depilatories:
INSUTEC, S.A.
Violante de Hungria, 64
08028 Barcelona
Tel. 339 1450
Telex: 54240 EMUS-E

Luggage, travel accessories:
Maletas Queract, S.A.
Ctra. Rojals, s/n
Montblanc, Tarragona
Tel.: 860964 / 860149

Rioja wines:
ARBOR - Agrupacion de Artesanos Bodegueros de Rioja
Gran Via 23, Entreplanta C
26002 Logroño
Tel. (941) 225304
Telex: 37281

Rabbit and similar furs:
Angorinas, S.A.
Diputación, 24
Mollet del Vallés (Barcelona)
Tel.: 593 1230
Telex: 51424 FAJN

Laboratory equipment and medical instruments:
Analchem, S.A.
Pi i Margall, 87
Caldes de Montbui (Barcelona)
Tel. (93) 865 0185
Telex: 93711 TLCC E

Ground bananas and banana skins:
Promural, S.A.
Ctra. N. 340, Km. 285
Totana (Murcia)

Honey and pollen:
Teycomex, S.A.
Concepci»on Llorente, 7
28023 Madrid
Tel.: 715 1655

Canned vegetables and fruits:
Membrillo el Quijote, S.A.
Plgo. Ind. San Pancracio
Aptdo. de Correos 45
Puente Genil (Córdoba)
Tel.: 600445 / 600700

Sausages; canned meats; salted meats; cooked food for dogs:
Industrias Cárnicas Fuertes, S.A.
Ctra. Murcia-Granada
Apartado 12
Murcia
Tel.: 620128

Vinegar:
Vinagres Vinicos, S.A.
Plgo. Ind. Urtinsa
c/ Los Pintores, s/n
Alcorcón (Madrid)

Household furniture & wares:
ARFESA-Articulos Férricos, S.A.
Juan de Austria, s/n
Alcantarilla (Murcia)
Tel.: 801054

Bronze lamps:
Metalbrix Palacios, S.A.
c/ 2002, N° 14
Cava (Barcelona)
Tel.: 662 4911 / 662 4990

Aluminum and zinc:
Tafime, S.A.
Polígono Industrial N° 1
Calle C, N° 14
Móstoles (Madrid)
Tel.: 6130350/4/8

Mirrors, wood frames with brass overlay, antiqued mirror inlay; auxiliary furniture of wood, brass, mirror; accessory articles:
Sabika
Carretera de Córdoba, Km. 432,7
18080 Granada
Tel. (958) 436428

Dietetic foodstuffs:
Dietisa
Ventura Plaja 9
08028 Barcelona
Attn: Sr. Rubio
Tel. (3) 422 4100

Spanish furs:
Abanicos Carbonell
Fuencaliente 14
46023 Valencia
Attn: Agustin Ivars

Wines:
Bodegas Beamonte
Cascante
Navarra
Tel. (48) 773025

Antique furniture:
Ferrando Guanter
Pastor Fuster 7
Valencia
Tel.: (6) 365 2821

Leather goods:
Commercial Italica
Profesor Blanco, 18
46014 Valencia
Tel.: (6) 357 6680

Craftsmanship articles for decoration and gifts:
Mian Arte Selección
Igualada (Barcelona)

Cements, plasters:
Cementos de España
Apartado 11
San Vicente de Alcántara
(Badajoz)

Wines in bulk and in bottle, Den. of Origin La Mancha; La Mancha cheese and melons:
PROCOMAN (Promoter of Commerce of La Mancha)
Avda. Imperio 5
13001 Ciudad Real
Tel.: (926) 211498
Telex: 3405

Men's, Women's and Children's Wear; Children's knitwear (1 to 6 years); gold jewelry; table lamps; candy dishes; giftware:
Luis Jorroe Fernández
Agente Comercio Exterior
Madrazo, 113, Entlo. 1ª
08021 Barcelona

Aparatos de laboratorio para la industria quimico colorista textil:
Conmatex S. Coop. Ltda
Zamora, 45-47, bajos
08005 Barcelona

Ceramics:
Eliezer Martinez Diffusión
72, Route J.J. Rigaud
1224 Geneva, Switzerland
Attn: Benjamin González
Tel. 022/498037

Hinges:
Igle, S.A.
Schuman 12
Rubi (Barcelona)
Attn: Sr. Iglesias
Tel. (3) 699 4098

Spanish ceramics:
Eliezer Martinez Diffusión
72, Route J. J. Rigaud
1224 Geneva, Switzerland
Attn: Benjamin González
Tel. (022) 498037

Orthopedic instruments and materials:
Tejidos Elásticos Lloveras S.A.
c/ Mercado 4, Apdo. 4
Canet de Mar (Barcelona)
Tel. 7940296 / 7940058

Tools and machines for machine shops:
Montoliu S.A.
Rocafort 35
Sabadell

Auto accessories, seat belts:
Firestone Hispania, S.A.
Basauri (Vizcaya)
Tel. 449 2300

Goat cheese:
EACSA - Euro Americana de Comercio
2 Boch i Gimpera
08034 Barcelona
Tel. (93)203 5478/205 2507

Hoses of rubber and polyester:
Comundo S.A.
Plaza de Puenteareas, 17
Redondela (Pontevedra)
Tel. (986) 401051

Carpets, bed spreads:
Tejidos Regionales, S.A.
Camino de los Pinos, 24
Apartado 289

Health foods, calcium carbide, tiles:
Cidro, S.A.
Avenida Diagonal, 435, 4
Barcelona

Books:
Ediciones Poligrafa, S.A.
Balmes, 54
08007 Barcelona
Tel. (93) 301 9100

Office furniture:
Perm[illegible]
Plgo. Ind. Mijares, 15-17
12550 Almazora
(Castellón)
Tel. (964) 562112
Telex: 65631 STA E

Floorcoverings of rubber or plastic:
Ibercaucho, S.A.
San Vicente, 23
Izarra (Alava)

SPANISH FIRMS SEEKING U.S. PRODUCTS

Beef:
Vicfruit S.A.
Victor de la Serna, 5, 7° Piso
28016 Madrid
Tel. 250 1504

Ball and throttle valves:
Talleres Quifer, S.A.
Ctra. Nacional II, Km. 764
(Frente Camping Pons)
Fugueres (Gerona)
Tel. 506108

Machines for mfr. of braids:
Rafael Sempere Pascual
Fábrica de Cordones y Mechas
c/ Perú, 56
Alcoy Alicante
Tel.: (965) 330735

Textile products:
Juan Duño
Travesia de Pizarro, s/n
Aptdo. de Correos 106
Granollers (Barcelona)
Tel.: 849 0399 / 849 0456

BUSINESS OPPORTUNITIES ——— OPORTUNIDADES COMERCIALES

SPANISH FIRMS SEEKING AND OFFERING REPRESENTATION

Graphic arts company; books, catalogs etc.:
Graficas Futura
Poligono Ind. Cobo Calleja
Villafranca del Bierzo, 21-23
Fuelabrada (Madrid)
Tel. (1) 690 6363
Furniture, high quality:
Hurtado
Vda. de Hurtado, S.A.
Dels Fusters, 1
46014 Valencia
Tel.: (6) 379 8200
Attn. Francisco Hurtado Peris
Canned vegetables:
Industrias Agricolas del Guadiana, S.A. (INAGSA)
Villanueva, 16
28001 Madrid
Tel.: (1) 276 0204
Telex: 27469 GOFILCO
Gift items, baby clothing, cork:
CD, S.A.
Via Augusta, 120, 3-2a P6ª
08006 Barcelona
Attn: J. Daura
Canned fish and vegetables:
Incomisa, S.L.
Grl. Astilleros, 30
Melilla
Telex: 79153 RUPE E
Pre-manufactured shoe soles:
Liberto S.A.
Ctra. Madrid-Alicante Km. 376
Apartado 169
Petrel (Alicante)
Tel.: (65) 370680
Telex: 68149 LIBE E
Porcelain gift items:
Masster-Line
Poligono Ind. Camino de Cubas
Nave 2C
Torrejón de la Calzada (Madrid)
Tel.: (1) 816 0420
Attn. Antonio L. Sánchez Garcia
Teas, spices, dried fruit, nuts:
Juan Navarro Garcia, S.A.
Plgo. Industrial Cabezo Cortado
Espinardo (Murcia)
Attn: Juan J. Martinez
Leather clothing:
Piel's Club, S.A.
c/ Santa Maria 26-28
Sant Cugat del Valles
(Barcelona)
Tel.: (3) 674 4654
Attn: J. Castillo
Office and computer furniture:
Permasa
Plgo. Industrial Mijares 15-17
Apartado 41
12550 Almazora (Castellón)
Tel.: (64) 562112
Telex: 65631 STA E
Attn: G.A. Villalon
Oil and lubricant purifier:
Puroil S.A.
Serrano, 228
28016 Madrid
Tel. (1) 457 0780
Telex: 27742 OCEAN
Doors:
Puertas Cuesta
Manufacturas de la Madera Cuesta, S.A.
Serrano, 213
28016 Madrid
Tel.: (1) 458 6104
Telex: 45081

Footwear:
Albero y Aviles, S.A. (Alpin)
P.O. Box 396
30001 Murcia
Tel. 217781
Telex: 67354 ALPN E

Industrial chemical products:
Quiminter, S.A.
Quimica Industrial de Terrasa
c/ Guillermo de Montanyans, s/n
Apartado 546
Terrasa (Barcelona)
Tel.: (3) 783 4600
Telex: 56137 COCIT E
Cardan joints:
Ruedarsa, S.A.
Plgo. de Tallares, 42
Apartado 30008
28012 Madrid
Tel. (1) 797 0750
Telex: 42076 RSA
Scagliola panels:
Romero Osende y Empresas Agrupadas
Crta. Bens, 33
Poligono Ind. La Moura
15008 La Coruña
Tel. (81) 250850
Telex: 86069 QUIN E
Attn. J. Romero
Apparatus for illumination, stamping and inlaying cold metal:
Rin, S.A.
Camino Junto a la Via s/n
(Finca la Rosella)
Apartado 60
Viladecans (Barcelona)
Tel.(3) 662 1500
Land Rover and Pegaso vehicle parts and accessories:
Suministros y Equipamientos Internacionales, S.A. (SUYNSA)
Juan Ramón Jiminez, 2 - 7K
28036 Madrid
Tel.: (1) 457 3008
Telex: 41 005 ERTSA E
Attn: Baldomero Baeza, Director
Jewelry of precious metals, stones:
Sanmarti Clota, S.A.
Entenza, 332-334, 3 - 1ª
08029 Barcelona
Tel. (3) 322 4212
Cutlery, scissors, blades etc.:
Tres Claveles Buenos Hermanos, S.A.
c/ Eibar, 2
26006 Logroño
Tel. (41) 228600
Telex: 37187
Puzzles, educational toys:
Sebastián Bosch
Travessera de Coll-Blanch, 51
L'Hospitalet (Barcelona)
Tel. (3) 3348266
Fragrances, essences:
Esencias RBG, S.A.
Via Augusta, 295
08017 Barcelona
Telex: 57554 ERBG E
Attention: Rogelio Boix Guell
Food products:
Bofill & Roig, S.A.
Balmes, 205
08006 Barcelona
Tel. (3) 2182462
Telex: 51533 BRSA E
Pliable steel wire, gratings, etc.:
A. Bianchini Ingeniero, S.A.
Diputación 279-1
08007 Barcelona
Tel. (3) 3173034
Telex: 57593 ABI E

Slate:
Coexga
Paraje de Arnavea
A Rua de Valdeorras (Orense)
Canned fruit and vegetables:
Conservas el Ramillo
Milagro (Navarra)
Tel. (48) 861062
Attn: Maria Dolores Ursua

Marble, other building materials:
Bernal Casanova, S.L.
Maestro Padilla 2- 7d
Almeria
Tel. (51) 251022
Telex: 78821 JCBC E
Apple and grape juice, table wine, champagne:
Bodegas José Maria Sogas
St. Joan, 16-2ª
Vilafranca del Penedes
(Barcelona)
Tel. (3) 8920290
Telex: 52104 CBINA E
Security systems, locks etc.
Blohan, S.A.
Duque de Sevilla, 2
28002 Madrid
Attn: J. Oliveira, Commercial Dir
Leather accessories:
Italica, S.A.
c/ Profesor Blanco, 18
46014 Valencia
Tel. (6) 3576680
Fruit juices, concentrated juice, canned vegetables, wine:
Covalex, S.A.
Paz, 37-4
46003 Valencia
Tel. (6) 3518569
Telex: 64650 CVLX E
Footwear:
Dambos, S.L.
Plaza Anselmo Clavé, 4-entlo.
Elche (Alicante)
Tel. (65) 437666
Telex: 66400 DAMB E
Attn: Rafael Cruz Hernandez
Cages and accessories for rabbit breeding:
Extrona S.A.
Poligono Ind'l "Can Mir"
Ctra. de Terrassa a Viladecaballs, km. 2.800
Viladecaballs (Barcelona)
Tel. (3) 7885866
Telex: 56137 COCIT E
Leather clothing:
Entesa (Esmerilados Naturales y Teñidos, S.A.)
Avda. Blasco Ibañez, 125-7, 42
46022 Valencia
Tel.(6) 3557655
Steel doors, commercial and security use:
Grupsa (Grupo Hispano Metálicas, S.A.)
Ctra. Fuenlabrada Km. 1.800
Humanes (Madrid)
Tel. (1) 6904948
Telex: 23742 RDEG E
Gift items: ceramic figurines etc.:
Gonzalo, Gonzale
Pia Barcina,29-4-1ª
Sabadell (Barcelona)
Tel. (3) 7173148
Telex: 59818
Drills, milling tools:
Giben
Avda. Parallel, 122 bis ent. 4ª
08015 Barcelona
Furniture, children's and women's clothing; Mexican company interested in contacting distributors and importers:
PRIMSA Import-Export Service
Compañia Mexicana de Comercio Exterior Guanos y Fertilizantes, No. 25
Col. Vista Hermosa
Tlane., Edo. de México
Tel. 398-05-76
Chains for snow and sand: Spanish manufacturer interested in contacting distributors in U.S.:
Chap-Internacional
Aguado, 27
33202 Gijón
Attention: Alfonso Pedroche

Fairs & Exhibitions in Spain: Spanish firm offers services to firms interested in attending fairs in Spain:
Promotort
Rambla Iberia 84-86
Sabadell, Barcelona
Tel. (3) 725-6115
Attention: E. Tort Castañé
Steel wire: Spanish manufacturer interested in contacting representatives in the U.S. market:
Trefilerias del Norte
Ctra. Zorroza-Castrejana s/n
48013 Bilbao
Craftsmanship articles for decoration, made of copper and bronze: Spanish firm with large experience seeks representatives, distributors:
Metal-Luce
Avenida José Solis, 10
Lucena, Córdoba
Consultants:
IUC International Venture S.A.
c/ Felix Boix, 18-1
28036 Madrid
Tel.: (1) 2506905
Telex: 44247 IOTA
Buying agents:
Cesa Coordinadora Exportadora, S.A.
Beethoven, 15
08021 Barcelona
Tel. (3) 2006533
Telex: 93711 TLCC E
Attn: Luis Maria Roger
Import-export, marketing, distribution services:
Copinter - Compañia de Distribución Internacional
Via Layetana, 40, pral 2E
08003 Barcelona
Tel. (3) 3104209
Telex: 43087
Attn: David González i Sellés, General Manager
Freight, storage, shipping etc.:
Cia Maritima del Nervión, S.A.
Bailen, 1-2
48003 Bilbao
Tel. (4) 4156600
Attn: Eugenio Solano Aldecoa
Offers representation for products in general:
A & M Group, S.A. Internacional
San Elias, 29-35, Esc. A, 5-1A
08006 Barcelona
Tel. (3) 7116126
Telex: 93210 SIST E
Attention: Montse Bruch
Articles for domestic use:
Agrupación de Exportadores de Guipúzcoa(AGUIMEX)
Aguirre Miramor, 2
20002 San Sebastián
Tel: (43) 272100
Telex:36529 CAMIN E
Construction machinery:
ANMOPYC (Asociación Española de Fabricantes/Exportadores de Maquinaria para Construcción y Obras Públicas)
Don Jaime I, 18 - 5
50001 Zaragoza
Tel. (76) 295900
Telex: 58072 CACIN E

Wood furniture:
Metalisan, International Division: S.M Furniture S.A.
c/ Colón, 42-2-5
46004 Valencia
Telex: 63521 SAMT E
Attention: R. Capsir
Costume jewelry, gift items:
Ignacio Sánchez Muner
Apartado 5139
08080 Barcelona
Telex: 50532 SGNA E

BUSINESS OPPORTUNITIES — OPORTUNIDADES COMERCIALES

U.S. FIRMS SEEKING REPRESENTATION, OFFERING SERVICES

General import-export:
Texas Internat'l Sales-Supply
P.O. Box 170908
Arlington, TX 76003
tel.: (817) 572-5641;
Cable: TEXISS, ARLINGTON

—International Technology
Consortium
3031 Tish Way, Suite 910
San José, CA 95128
Telex: 184-817
Tel. (408) 945-1200
Attn: Frank E. Porter, Vice Pres.

—Carl Marks & Co., Inc.
Strategic Research International
77 Water Street
New York, NY 10005
Tel. (212) 437-7033

—The Baker Street Exchange Co.
P.O. Box 79043
Lakewood, Ohio 44107
Attn: L. M. Armour

- -International Import-Export Co.
P.O. Box 22856
Denver, Colorado 80222
Tel. (303) 758-4432

—Nielsen Associates
P.O. Box 631
Arvada, Colorado 80001-0631
Tel. (303) 431-2074
Attn: Frank Nielsen

—Paolini International
200 W. 34th Street, Suite 905
Anchorage, Alaska 99503
Tel. (907) 561-0583

—General Projects, Inc.
1100 17th St., N.W., Suite 1000
Washington, DC 20036
Tel. (202) 466-2810
Telex: 89-2580

Taylors International Trade
P.O. Box 545;
Taylors, SC 29687-0545;
tel.: (803) 244-3979;
Attention: Wesley L. Neely

N.C. America
P.O. Drawer 520
Cornelius, NC 28031
Attn: Roger Dewhurst, President

Export-Import in 5 countries:
WJS Trading Inc.
6731 Curran St.
McLean, VA 22101;
tel.: (703) 448-0600;
Attn: Yair Lichter, Mktg. Dir.

Export-Import, also offers marketing studies, consulting:
ITC International of
Washington D.C.
P.O. Box 8212;
Falls Church, VA 22041-8212;
tel: (703) 379-6291.
Cable: ITCINTL, VIRGINIA

Marketing, consulting & trade:
JTMC Inc.
Suite 302, 101 S. Whiting St.
Alexandria, VA 22304
Tel.: (703) 751-4031
Telex: 197890 JTMC
Attention: J. Tischler

Marketing Research, purchasing agent; experts in foreign trade, representation, defense procurement:
GPI General Products Inc.
1100 17th St. NW, Suite 1000
Washington, DC 20036
Tel. (202) 466-2810
Telex: 89 2580 IPCWSH
Attn: Robert E. McDonald

Consulting group—quality and metallurgically oriented:
Qual-Tech Associates
1302 Monongahela Avenue
McKeesport, PA 15131;
Tel: (412) 673-6483;
Attn: J. S. Absalom

Import-Export, research service, consulting:
Imco Internat'l Marketing Co.
P.O. Box 22262;
Alexandria, VA 22304
Cable: IMCOEX
Attention: Robert Watts

Offer to buy surplus property:
The Sturdy, Inc.
125 Colley Ave.,
Norfolk, VA 23510;
Tel: (804) 625-6093;
Attn: Margaret Wakefield,
Corporate Secretary

Trade and marketing, general:
Quest International Trade
and Marketing, Inc.
6470 Airpark Drive
Prescott, Arizona 86301;
tel.: (602) 776-0600;
Attn: Edward Rickman, Pres.

Personnel services overseas:
Overseas Personnel Ass'n Inc.
3471 North Federal Highway,
Suite 401
Fort Lauderdale, FL 33306
Tel. (305) 565-6929
Attn: Karen F. Laffredi, President

Busca representante para venta del "Miracle Polishing Cloth" (limpiametales):
RBS Industries Corp.
1312 Washington Avenue
St. Louis, MO 63103
Tel. (314) 241-8464
Attn: Ronald B. Schwartz, Pres.

Offers representation, products in general:
Zitco-International Trade Co.
202 Tamarack Ct.,
Jacksonville, NC 28540;
tel.: (919) 455-5560.

International technology exchange:
International Technology Ass'n
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Westlake Village, CA 91361
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Attn: Dr. Fred Abbot

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Balmes, 199
08006 Barceona
Tel.: 217 4626

Cement, concrete and refractory products:
ACOEX
Asturiana de Comercio
Exterior, S.A.
Marqués de S. Esteban, 8, 1°
33206 Gijón

Machines & accessories re polyethelene bags for food industry:
ACEQUISA - Aceros y Equipos S.A.
Luis Alberti No. 1
09007 Burgos
Tel. (947) 231363

Nylon yarn:
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Plaza de Puenteareas, 17
Apartado 6
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08003 Barcelona
Tel.: 319 12 00
Telex: 52 944 ELOS

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28001 Madrid
Tels. 435 47 85, 435 46 03
Telex: 41981 SOEA

Law office specializing in civil service, administrative, entrepreneurial, common market, taxes, finance:
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Ronda San Pedro, 19-21, 1°, °
Edificio Caser-Urquinaona
08010 Barcelona
Tel: 317 08 97, 381 77 01
Attn: Miguel-Luis Torrents Font

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Spanish firm offers representation:
Jordi Sugrañes
Frederic Soler, 12
Reus
Tel.: 31 8606

Textiles: Manufacturer of laboratory apparatus for the textile chemical coloring industry wishes to contact firms in the textile area:
CONMATEX S. Coop. Ltda.
Aparatos para laboratorio quimico
colorista textil
Zamora, 45-47, bajos
08005 Barcelona

Hosiery: Spanish manufacturer seeks agents in this field:
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Apartado 126
Igualada
Tel.: (93) 8035305

Sales or Buying Agent in Spain:
CESA-Coordinadora de
Exportaciones, S.A.
Beethoven, 15
08021 Barcelona
Tel.: 200 65 33

Bathing suits:
SEMAFORO, S.A.
Avda. Madrid, 95, 3°
08028 Barcelona
Tel.: (3) 339-4166
Attn: Ricardo Carci

Menswear: Tailors' products mfr with 2,200 client list offers distribution to garment and other manufacturers:
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Granollers (Barcelona)
Tel.: 849 03 99, 849 04 56

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S. Esteban de Gormar, 1
28033 Madrid
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Poligono Industrial Can Jardi
Rubi (Barcelona)
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Tel.: (3) 699 1084

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Ctra. Madrid-Irún, Km. 482
Irún (Guipúzcoa)
Tel.: (943) 62 90 11, 51 35 50

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Canet de Mar (Barcelona)
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Telex: 97614 DRGM

Floor and wall tile:
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Ctra. de Onda, km. 5
Villareal de los Infantes
Castellón)
Telex: 65736 TGRES E

Olives, toys, perfumes, linens etc.:
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Rioja,13- 3D
41001 Sevilla
Tel.: (54) 226502

Lamps:
Triodo, S.A.
Naples, 113
08013 Barcelona
Tel.: (3) 871 5611
Telex: 94009 FMSR E

Accessories for aluminum carpentry:
Tovic, S.L.
Ctra. Zamora, Km. 8
Apartado 2006
León
Tel.: (87) 204023
Telex: 89605 For Tovic
Attn: G. Castellanos de Juan,
Commercial Director

Vinegars:
"Vulip" Vinagres Selectos
Olimpiada, 14
Edificios Gredos
Apartado 163
28000 Alcorcón (Madrid)
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Attn: Fdo. D. Alberto Pérez
Pérez, Product Manager

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New York, NY 10167
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Ronn Wiegand
WINE COUNTRY, May 1985

"Crisp, very lively flavors. Fine, lightly toasty aromas. Very good."
Joel P. Butler
WINE COUNTRY, December, 1985

"Fresh, clean, fruity and attractive."
Anthony Dias Blue
BON APPETIT, June 1985

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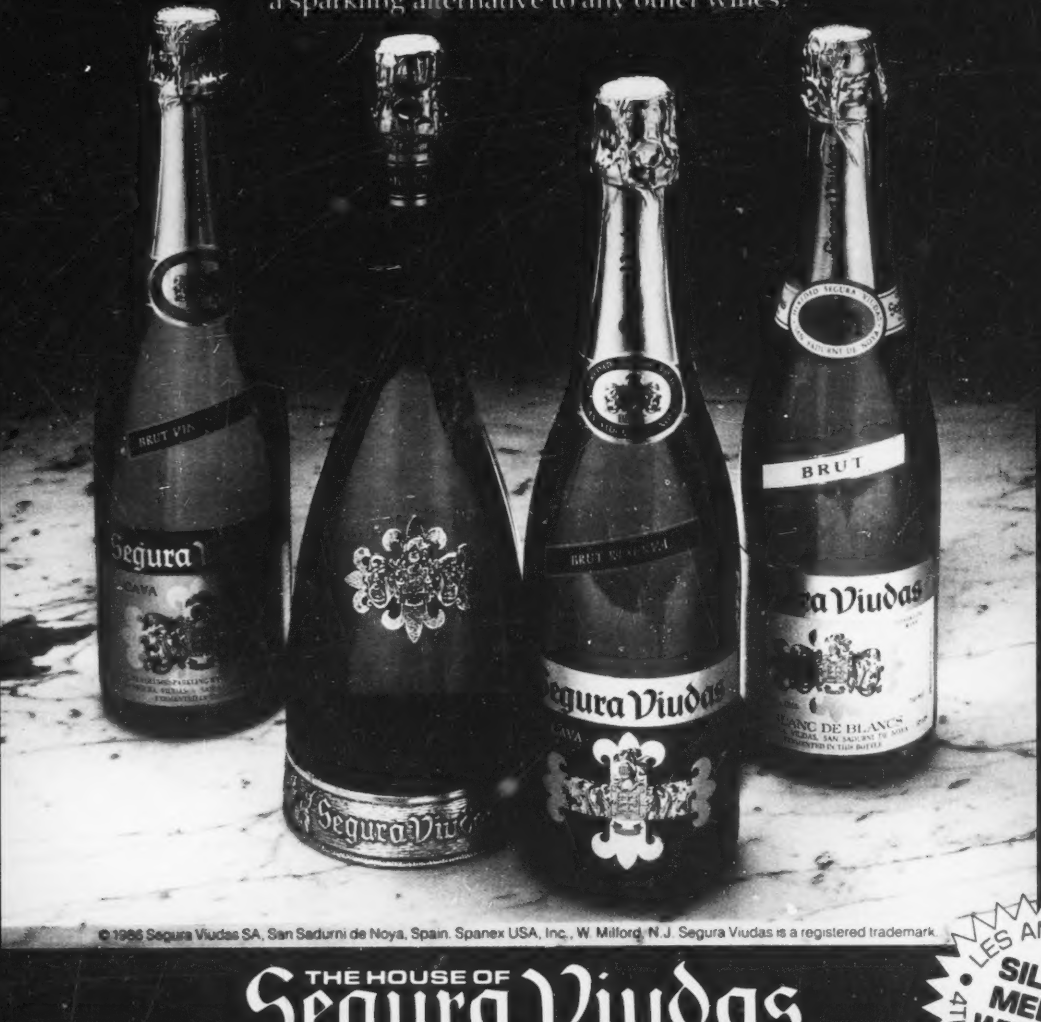

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FERIAS Y EXPOSICIONES

Por LUISA PUJOL

725 expositores y 20 pabellones internacionales a la International Fancy Food and Confection Show

Del 20 al 23 de julio de 1986 se celebró en el Jacob K. Javits Convention Center, la XXXII edición del International Fancy Food and Confection Show (IFFCS). Fue, ante todo, un instrumento de puesta al día, de encuentro entre profesionales del sector alimenticio, manteniéndose al mismo tiempo como una manifestación comercial de primer orden y un medio de comunicación extraordinario para los productores alimenticios de todo el mundo. Los productos expuestos abarcaban la confitería, pastelería, panadería, charcutería y productos lácteos.

La IFFCS ha adquirido una solidez y fisonomía propias que le han convertido en una de las ferias más importantes del sector en EE.UU. y auténtico escaparate de la oferta alimenticia internacional. Anteriormente había tenido lugar en Washington y Atlanta y no se celebraba en Nueva York desde hacía cuatro años. Este año y por primera vez, la Feria ha pisado el nuevo recinto ferial, Jacob K. Javits, con las consiguientes mejoras en cuanto a espacio, funcionalidad y adaptación a las necesidades de tan amplia concurrencia ferial.

A la Feria de 1986 han concurrido 725 expositores. El caracter internacional de la Feria se plasmó en la presencia de 20 pabellones internacionales que contribuyeron a su expansión y reforzamiento, y que será un acicate para la participación de exportadores españoles que deberan afrontar lo mejor de la competencia internacional. Entre los que participaron en el certamen, lo hicieron bajo pabellón oficial de su país exportadores de: Alemania, Argentina, Australia, Austria, Bélgica, Brasil, Canadá, CARICOM (países del Caribe), Dinamarca, Francia, Gran Bretaña, Holanda, Hungría, Israel, Italia, Jamaica y Suiza. España, que fue una de las pocas potencias país que no formó pabellón, estuvo representada por cuatro compañías españolas, que expusieron de forma independiente: Compañía General del Azafrán en España, S.A. (azafrán), Freixenet USA, Inc. (cavas), La Ibense-Bornay, S.A. (helados) y Sánchez Cano, S.A. (confitería).

La campaña de promoción y de inversión publicitaria realizada por el comité organizador de la Feria, la National Association for the Specialty Food Trade, Inc., tanto en el territorio nacional como en el extranjero, ha sido superior a la de años anteriores y ello se ha reflejado en el número de compradores detallistas (acreditados más de 30.000) así como numerosos profesionales del sector. La campaña publicitaria se realizó en todas las revistas técnicas del sector, tanto nacionales como extranjeras y cabe resaltar la alta presencia de prensa americana en el certamen.

La ingente multitud de productos, firmas, ideas y propósitos con una meta común, se convirtió en una feria coherente cuya finalidad es conseguir que la ciudad más importante del primer mercado consumidor del mundo, tenga la feria de vanguardia entre las ferias internacionales de alimentación.

El hecho de que sea una feria dedicada mayoritariamente al detallista y de que pocas empresas españolas tengan representante o distribución amplia de sus productos en EE.UU., permite cuestionarse sobre la conveniencia de estar presentes en esta Feria bajo un pabellón nacional, en la medida que podría haberse generado un interés y una demanda por parte del detallista que luego no podría satisfacerse por carencia del enlace entre fabricante y punto de venta.

Debemos considerar sin embargo que, pese a todo, buen número de importadores, mayoristas y grandes distribuidores visitaron la Feria y que, por tanto, habían posibilidades reales de encontrar distribuidores para uno o varios estados. Junto a ello creemos fundamental la presencia de España como bloque en una feria que capitaliza gran parte de la atención internacional de los profesionales de un sector, el alimentario, en el muchos vemos enormes posibilidades para España y donde, esta vez sí, España debe tener una imagen y reconocimiento, no sólo en EE.UU., sino mundial, a la altura de la calidad de sus productos.

El Jacob K. Javits acogerá de nuevo el International Fancy Food and Confection Show del 12 al 15 de julio de 1987.

Spanish Fortnight

The cuisine, wines and culture of Spain were the main topics of conversation at a recent press luncheon at the Golden Tulip Barbizon Hotel. Above, at the luncheon, are (L to R) Jeremy Rugge-Price, Director of Food and Beverage for the Barbizon; Mercedes Giralt Salinas, proprietor of the 'Agut d'Avignon' Restaurant in Barceona; Penelope Casas, author of *Tapas—The Little Dishes of Spain;* Francisco Girón, Director of the National Tourist Office of Spain; and Sam Cavin, Executive Assistant Manager of the Golden Tulip Barbizon Hotel.

SPANISH BUSINESS LAW

Legal, Accounting and Tax Aspects of Business in Spain
Bernardo M. Cremades (general editor)

SUBJECTS

- Doing Business in Spain
- General Information
- Legal Professionals: Lawyers, Notaries and Procurators
- Judicial Structure and Legal Proceedings
- Private International Law
- Sales, Leasing and Works Contracts
- Foreign Investment in Real Estate
- Zoning, Building Permits and Environmental Regulations
- Financing of Spanish Companies
- Company Law
- Accounting, Filing and Auditing Requirements
- Representation of Workers
- Mergers, Take-Overs and Joint Ventures
- Moratorium and Bankruptcy
- Anti-Trust Law
- Tourism in Spain
- Exchange Control
- Banking Institutions and Finance Companies
- Spanish Investment Abroad
- Legal Aspects of Corporate Financing
- Foreign Trade
- Oil and Gas
- Industrial and Intellectual Property Rights
- Official Chambers of Commerce and Navigation
- Insurance
- Spanish Export Credit Insurance
- Maritime Transactions
- Labour
- Social Security
- Taxation
- Business and the Autonomous Regions
- Management Consulting
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SPANISH
Business Law
BERNARDO M. CREMADES
General Editor
KLUWER

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NEWS NOTICIAS NEWS

Medidas liberalizadoras de las inversiones españolas en el extranjero

Tras la convocatoria electoral el Gobierno tiene pesado aprobar una serie de medidads liberalizadoras de las inversiones en empresas extranjeras como forma de frenar el fuerte descenso de las inversiones espaioles en el extranjero.

Durante el último año descendieron las inversiones españolas en el extranjero, en comparación con el crecimiento experimentado en años anteriores. Las únicas excepciones fueron las inversiones directas a China y al continente Iberoamericano, que crecieron en 1985 de forma importante.

Las inversiones directas disminuyeron en 6.125,6 millones de pesetas, lo que supone un descenso del 12,5% sobre el año 1984, en que el total de inversiones ascendió a 49.014,8 millones de pesetas.

Esta caida afectó fundamentalmente a las inversiones realizadas en la Europa Occidental y al resto de los paises de la OCDE incluidos Estados Unidos y Canadá. Asimismo disminuyeron en los paises árabes y en paises en vias de desarrollo en Africa y Asia.

Tan solo crecieron respecto al año las inversiones realizadas en el mundo comunista y Sudamérica.

De todas, las que menos cayeron fueron las efectuadas en los paises de la CEE, que pasaron de 10.832 millones de pesetas en 1984 a 10.405 millones de pesetas en 1985, con una disminución del 4 por 100. El retroceso fue del 23 por 100 en el resto de los paises europeos, al situarse en 1985 en 14,279 millones de pesetas en 1984. Las inversiones en el resto de los paises de la OCDE (que incluye Estados Unidos, Japón, Canadá) pasaron de 12.934 millones de pesetas en 1984 a 8.057 millones de pesetas en 1985, con una caida del 38 por 100. La disminución de inversiones en los "paraisos fiscales" (Antillas, Panamá, Islas Jersey y Holandesas) fue del 11 por 100.

Por lo que respecta a Iberoamérica, las inversiones en 1985 crecieron un 84 por 100, pasando de 5.375 millones de pesetas en 1984 a 9.868 millones de pesetas en 1985. Pero el crecimiento más grande fue en los paises de economia centralizada o comunistas, donde el incremento fue del 385 por 100, al pasar de 22.555 millones de pesetas en 1985 a 109.458 en 1985.

Farrell Lines Continues Expansion

The Maritime Administration (MARAD) has authorized Farrell Lines Inc. to charter the "American Resolute" from United States Lines for operation on Farrell's East Coast/ Mediterranean service (Trade Routes 10 and 13). Built in 1980, the "American Resolute" is a container vessel equipped to carry 1220 TEU's, as well as oversized and project cargo. Formerly a Farrell Lines vessel, it joins the three other container vessels which Farrell currently operates on its Mediterranean service ("Argonaut," "Freedom" and "Patriot").

Farrell Lines now offers direct U.S.-flag sailings every ten days from New York, Baltimore, Norfolk and Charleston to Spain, Italy, Greece, Israel, Turkey and Egypt.

Joseph Victori and Codorniú go to Court

Joseph Victori Wines, Inc. has filed for a temporary restraining order against Codorniú S.A. of Barcelona, enjoining it and its U.S. subsidiary from using any company other than Joseph Victori to import and distribute the Codorniú line in the U.S. Joseph Victori has been the exclusive U.S. agent for Codorniú's sparkling wines, which include its 'Brut Clásico' and 'Blanc de Blancs,' since 1972. The contract was up for review at the end of 1986, but Codorniú terminated the agreement prematurely. Magi Raventos, assistant managing director of Codorniú S.A. has said that the company believes it can market the wines more effectively on its own. Codorniú, he added, already has one executive living in the United States, Xavier Pages, vice president of Codorniú in the U.S. and Canada, who will oversee operations. Joseph Victori asked the court for an injunction to continue working with Codorniú until the current agreement expires.

Visita a España del Director Ejecutivo

Miguel Sebastiá, Director Ejecutivo de la Cámara, realizó un viaje a España cuyo principal objeto fue presentar formalmente el programa de becarios para 1987. Sebastiá se entrevistó con representantes de las cámaras de comercio y de los gobiernos autónomos de Andalucia, Cataluña y Madrid, con unos resultados que se han calificado como muy positivos. Es por tanto probable que a lo largo de este año se vayan incorporando a la Cámara los becarios provinientes de estas comunidades autónomas. Por otra parte, Sebastiá mantuvo una entrevista con el nuevo Embajador Americano, Reginald Bartholomew, a quien informó de las actividades y proyectos futuros de la Cámara, a los que el Embajador se mostro muy receptivo.

Inversion extranjera: "Boom" en el primer semestre

Las inversiones extranjeras en España alcanzaron, en el primer semestre del año, los 208.348 millones de pesetas, lo que representa un incremento del 127%—por la venta de Seat—respecto al igual periodo del año anterior, según datos oficiales del Ministerio de Economia y Hacienda.

En dólares, las inversiones de capital extranjero pasaron de 519 millones, en el primer semestre de 1985, a 1.437 millones en los seis primeros meses de 1986, lo que supone un aumento porcentual de 177%. En concreto, el número de expedientes autorizados de inversión de capital extranjero en diversas empresas, desde enero hasta junio, ha pasado de 1.186 en 1985 a 2.105 en 1986, con un incremento del valor en pesetas del 142%.

De las inversiones autorizadas en estos meses, un 56,6% se destinaron a ampliación de capital, y aproximadamente un tercio, a la adquisición de acciones de sociedades ya establecidas, mientras que sólo el 6% de ellas tuvieron por objeto la constitución de sociedades.

Estas cifras se refieren únicamente a las inversiones extranjeras en empresas españolas participadas por capital extranjero en más del 50% y por tanto no incluyen las inversiones en inmuebles y en cartera, ni las empresas con participación minoritaria del capital extranjero.

SEGUN EL FMI:

Seguirá la caída de los precios de las materias primas

El Fondo Monetario Internacional piensa que se producirá un descenso en los precios de las materias primas durante el año actual, después de haber revisado sus anteriores estimaciones sobre el café. En un discurso en un seminario sobre comercio de materias primas celebrado en Kuala Lumpur, el representante del FMI comentó que los precios del café no se mantendrían a los niveles del año que terminó.

Respecto al conjunto de los precios de las materias primas, la caída de un 2 al 3% en dólares parece lógico durante este año. Por otra parte, el primer ministro de Malasia, Mahathir bin Mohamad, afirmaba que el comercio mundial de materias primas se colapsaría a menos que los paises consumidores y los productores llegasen a acuerdos para estabilizar los mercados.

Las fuertes reducciones de precios en los mercados internacionales de materias primas desde 1984 ha creado problemas críticos a los productores, que no disminuirán el próximo año. La caída de precios se debe a las favorables condiciones de producción, un incremento de la competencia entre los vendedores, precios de soporte más bajos de lo esperado en Estados Unidos, y una reducción de la demanda mundial.

Los vaivenes en los precios durante los años ochenta, y la reciente caída de las cotizaciones han creado problemas que no será fácil remediar en los próximos años. El representante del FMI decía que la mejoría del mercado no se producirá a través de los acuerdos internacionales, sino mediante el lento proceso de disminuir los suministros procedentes de productores ineficientes, y mejorando el crecimiento económico mundial.

"Nada es más importante para los productores de materias primas que el mantenimiento de un importante crecimiento económico global, tanto en los paises industrializados, como en los del Tercer Mundo", comentaba el representante de la institución internacional.

Sin embargo, el representante malayo no estaba en absoluto de acuerdo con las opiniones del FMI. Objetó la política de las naciones desarrolladas que se oponen a la fijación de precios y a los subsidios, y que se niegan a adherirse a los acuerdos internacionales. Estas actitudes son las que provocan los fracasos de algunos pactos, como el del caucho natural y el del estaño.

La caída de los precios de las materias primas ocasiona a los paises productores unos menores ingresos, tasas de crecimiento pobres, más desempleo, una mayor necesidad de endeudamiento, y el aumento de su deuda externa. Si la capacidad financiera de los paises productores de materias primas se ve afectada gravamente, habrá serias repercusiones internacionales.

Hotel Villa Magna Offers Special Discount for Chamber Members

The Hotel Villa Magna, one of Madrid's two grand luxe 5-star hotels and a new sustaining member of the Chamber, has extended special discounted rates to all members and their colleagues, valid through March 31st 1987.

VILLA MAGNA

The Villa Magna is ideally located in one of the most beautiful areas of central Madrid, on the tree-lined Paseo de la Castellana. Built in 1972, it is a stately modern building with a quietly opulent interior in the style of Charles VI, with hand-woven rugs on rich marble floors, crystal chandeliers, and a wealth of paintings, tapestries and exquisite furniture in the spacious entry hall, lobby, lounges and salons. The hotel is currently undergoing a $3 million improvement program; a "business center" is being added to provide secretarial, translating, interpreting and telex services; rooms are being redecorated, and there will be many additional amenities.

Under the Chamber discount program, a single room will be 16.000 pesetas and a double room 22.000 pesetas per night. The discount will be confirmed at the hotel on proof of Chamber membership. For further information and brochures, please call (800)258-8282 or (301) 593-6440.

Relevo en "The Business Link"

Una nueva oportunidad profesional en el mundo que a ella más le gusta—el de la cinematografía—impedirá a la hasta ahora editora de nuestra publicación Susana Aikin seguir desempeñando esta función.

Durante el año en que ha estado al frente del área editorial de la Cámara, Susana ha realizado una brillante labor, iniciando los primeros cambios estructurales de la revista, y acometiendo la ingrata tarea de poner al dia y sacar a la luz el Directorio de Comercio 1986.

A partir de este número será Antonio Camuñas—actual Subdirector de la Cámara—que desde su incorporación a la misma colaboraba con Susana en la revista, el nuevo editor de "The Business Link". Antonio Camuñas es Abogado, ya ha cursado estudios de Periodismo y medios de Comunicación en Estados Unidos. En este área, fue miembro del Consejo editorial del "Harvard Summer Times". Colaborador de diversas publicaciones españolas, escribe en la actualidad una columna sobre Nueva York en el diario madrileño *ABC*.

Deseamos a ambos la mejor de las suertes en sus nuevos cometidos.

THE 1992 OLYMPICS

By MIGUEL SEBASTIA

Some of the Reasons Why the Spain-USA Chamber of Commerce Backed Barcelona

As this is written, the members of the International Olympic Committee have just chosen Barcelona as the site of the 1992 Summer Olympic Games. Barcelona was the leading contender for this honor, and we have always believed that Barcelona was the ideal, the logical choice.

Barcelona is especially privileged by any standards. The Iberian Peninsula lies in the vanguard of Europe, at the natural focus of air and sea routes to and from all the continents. Barcelona's people have been noted for centuries not only for their industriousness but for their creativity, as well as their good humored hospitality and the charm and beauty of the city they have built.

It was important, of course, that the city chosen for the 1992 Summer Olympics have the facilities and the infrastructure to accommodate both the Games themselves and the thousands of spectators who will attend them. Barcelona has a large and diversified public and private transportation network (it is estimated that 1,608 vehicles of all kinds will be needed). There are 775,000 accommodation units within 90 minutes travel time of Barcelona's Montjuïc Stadium, of which 450,000 will be available for visitors attending the Games.

As for competition facilities, of the 37 required, 27 already exist, 5 are under construction, and only 5 are still in the planning stage. Facilities for 19 of the 24 Summer Olympic sports are located with a radius of five kilometers (3.1 miles).

KING JUAN CARLOS I: "MOST HAPPY AS A SPORTSMAN, AS A SPANIARD, AND AS A KING."

A Communications Media Center will be available to representatives of the press, with a Main Press Center, Grapic Press Center, an Inter-National Radio and TV Center, and other shared facilities. Having hosted the 1982 World Football (i.e. Soccer, in the U.S.) Cup, Spain is not only sensitive to the needs of the press but experienced in providing the required facilities. During the 1982 event, more than 5,000 hours of broadcasting, both multilateral and unilateral, with commentator and coordination circuits, took place for more than a month, using earth- and satellite-based systems (Intelsat Network). In that time, over 3,000 unilateral TV programs were broadcast, with a peak of 200 per day.

The Hospital del Mar, adjacent to the site of the Olympic Village and with the most advanced technology, has been designated as the Olympic Hospital. An analytical laboratory within the hospital has already been accredited by the International Olympic Committee as an authorized doping control center.

In addition, Barcelona proposes to hold an "Olympic Festival of the Arts" during the 1992 Games, the crowning achievement of a cultural program which will begin in 1988. The Festival is conceived as an international melting pot of groups, companies and personalities from the world of the arts, including classic and contemporary performances.

For all these reasons—plus the very important one of the fact that in 1992 the world will celebrate the Fifth Centennial of Spain's discovery of the Americas, our Chamber wholeheartedly supported the choice of Barcelona as the ideal site for the 1992 Summer Olympics. For Spain, and for the awareness of Spain in the United States, this was also a very important choice. Americans are much more interested in sports of all kinds than they are in trade statistics, and in 1992 Spain will be the center of world attention. Being in the world spotlight will generate a momentum that cannot help but benefit Spain-U.S. trade.

El Horizonte Olímpico

Pocos hechos pueden resultar tan significativos para la futura promoción española en el exterior como el de haber obtenido la nominación olímpica el 17 de octubre. En un mundo en el que las comunicaciones y los espectáculos de masas tienen cada vez mayor influencia, los Juegos Olimpicos destacan como acontecimiento generador de atención internacional, y por tanto como un gran escaparate promocional. A partir de ahora, Barcelona tendrá tanto la oportunidad histórica como la responsabilidad de contribuir a acuñar esa imagen nacional que tanto necesita nuestro país.

Los Estados Unidos—nación deportista por excelencia que seguirá con enorme interés este tipo de acontecimientos—deberán ser un objetivo prioritario de atención en la futura tarea promocional. Los empresarios catalanes conocen bien el grave problema de identidad que tienen aqui nuestros productos. Pocas ocasiones tan favorables pueden existir para remediar esta situación como la de albergar unas olimpiadas. Ojalá sepan entenderlo así los responsables, y que aparte de los beneficios culturales y deportivos que de un evento de este tipo se derivan, nuestro sector exterior se vea asimismo favorecido.

En cualquier caso, es importante constatar que el "Objetivo de todos" ha sido algo más que un lema, y que el enorme apoyo demostrado por toda España a la candidatura Catalana es uno de los factores que ha impresionado a los delegados del Comité Olímpico, y que más ha contribuido a la nominación barcelonesa. Los españoles, tan acostumbrados al individualismo, han dado en este caso una encomiable lección de solidaridad y entendimiento.

Cataluña ha trabajado muy duro en el empeño, y afortunadamente ha salido airosa de una dura contienda. Lo importante ahora es que las olimpiadas de 1992 sigan siendo, como hasta ahora, un objetivo de todos, del que todos salgamos beneficiados. ¡Enhorabuena Barcelona!

ANTONIO CAMUÑAS

Todos acertaron: Barcelona fue la mejor opción

Una semana antes de que Juan Antonio Samaranch terminara con la incertidumbre olimpica, *The Business Link* realizó una encuesta de urgencia entre socios y amigos de la Cámara. La pregunta era ¿Cree que Barcelona sera elegida como ciudad olimpica el próximo 17 de octubre? Las respuestas fueron unánimes: Barcelona era la mejor opción.

JUAN ANTONIO SAMARANCH

Barcelona es una ciudad magnificamente situada, trazada, y preparada para un evento semejante. Además, mi origen siciliano me obliga a querer ver la olimpiada de nuevo en el Mediterraneo. En Sicilia hay una ciudad que se llama Barcelona. Por estas y otras razones, no hay duda que tendrian mi voto.

—DOMENICK SCAGLIONE
Chase Manhattan Bank

Barcelona es una ciudad óptima para celebrar las Olimpiadas. Tiene una magnifica infraestructura hotelera, turistica y de comunicaciones. Es una ciudad enormemente ligaa al deporte, geográficamente bien situada, y con gran experiencia en encuentros internacionales.

—JEAN POLGAR
J. Henry Schroder Bank

Barcelona será elegida seguro. Se lo merece por el enorme esfuerzo que ha realizado. He hablado con mucha gente en distintos paises, y mi intuición me dice que en el '92 las Olimpiadas serán para Barcelona. Yo, además, tengo algo de bruja.

—MONTSE GUILLEN
Fundadora del restaurante, "El Internacional"

Para mi seria una sorpresa que Barcelona no fuera sede de la Olimpiada de 1992. Tengo entendido que el dossier presentado por Barcelona es de gran profesionalidad, y parece que el ambiente general es muy favorable a España. Por otra parte, la fecha es tan entrañablemente española que parece lógico que sea Barcelona la elegida.

—FRANCISCO GIRON
Director, Oficina de Turismo en Nueva York

Creo que es una candidatura con muy buenas probabilidades. En Estados Unidos no ha habido una promoción visible de la misma. La elección—como siempre en este tipo de cuestiones—será más polética que otra cosa, y asi radica el principal riesgo.

—MICHAEL BENNIS
Changing Times

Seria estupendo que Barcecelona resultara elegida. Freixenet ha sido una de las firmas patrocinadoras y esta preparando nuevos etiquetas que incluyen el anagrama olimpico de Barlona 92. Con eso creo que expresamos nuestra tremenda fé en las posibilides de la candidatura española.

—WILLIAM KROESING
Freixenet U.S.A., Inc.

Barcelona alberga grandes posibilidades de ser elegida. Hay razones historicas que asi lo ayudan. La situación geográfica es excelente. Seria el segundo intento de esta ciudad, y Paris (al parecer su máximo competidor) ya las organizó una vez anteriormente. Por último, creo que la situación de Europa con respecto a España es inmejorable. Todos los paises le han dado la bienvenida tras su ingreso en el Mercado Común, y ésta seria una nueva ocasión de tributo al esfuerzo español de los últimos años.

—JOHN PHILBIN
Irving Trust Company

España y Barcelona serian una elección no solo magnifica sino bastante lógica. Hay un tiempo excelente y unas instalaciones de primera categoria. No sé si les serán concedidas o no, pero no cabe duda que de otorgar los juegos a España no se habrán equivocado.

—JOHN BARNETT
Manufacturers Hanover

Estoy convencido de que si. Las olimpiadas nacieron en el Mediterraneo y ya es hora de que vuelvan a él de nuevo. Si a esto unimos la celebración del 5° Centenario en el año '92, y la magnifica promoción de la candidatura Barcelonesa, no creo que esta vez se no escape.

—PEPE NAVARRO
Presentador de televisión

Espero que Barcelona se lleve los juegos olimpios del '92. De lo contrario, seria la segunda vez que se rechaza la candidatura de la ciudad condal. Indudablemente la candidatura de Paris es fuerte. La influencia francesa sobre muchos paises africanos es siempre peligrosa a la hora de los votos. A favor nuestro tenemos la presidencia de Samaranch, que nos puede ayudar a conseguir el objetivo.

—JUAN OLIVAS
Casa de España, Nueva York

Sin tener excesivos detalles sobre el particular, creo que tenemos unas posibilidades actuales del 50%. Para obtener la candidatura, lo que significa que Barcelona está en una buena posición con respecto a otras ciudades. Desde el punto de vista de Estados Unidos, creo que la promoción ha sido insuficiente. Tal vez la publicidad se ha hecho en otros paises europeos, pero desde luego aqui no hay una clara conciencia de nuestras posibilidades. No creo que Paris sea nuestro principal enemigo: pequeños factores como la concesión de Disney y la presidencia del Comite Olimpico por Samaranch, sin ser definitivos, pueden ayudar a inclinar la balanza a nuestro favor.

—MIGUEL VIVES
Intechnos

The Handkerchief Without Beginning or End

By CAMILO JOSE CELA
Member of the Spanish Royal Academy

The handkerchief is literary wear and may be an amorous feint only slightly short of code. The hanky is used to bid fond adieu to the sweetheart who is off to marry the county moneybags (just as well he's wrinkled and bent and all squinty-eyed). It is also employed to beg the ear of the bull who let himself be fought so well and so enthusiastically that he won't even be allowed to depart this vale of tears in one piece. The kerchief serves to sop up both the furtive but poetic tears of the eyes and the persistent if prosaic unguents of the nostrils. If also mops the sweat from your brow, erases the errant lipstick smear from your homebound lips, staunches the bloody flow from a pricked finger and wraps your jawbone when toothache strikes. The handkerchief is both trim and a touch, the trim on one's life and a touch of distinction, as well as being the certificate identifying one's good taste and savoir faire, as if they had been lifelong adjuncts.

The word "hanky" is a dimunitive of handkerchief and could equally have come out as handker or canker, kerchy or churchy, chiffy or cheffy, shower or blower; but while hanky-panky is sanctified by generations of romantic lovers, what allusions could we expect from blower-plower? Our tongue, that Divine blessing, may convert itself into a weapon, destructive of feeling, meaning and talent, leaving us with no option but to flee, to fly until, tongue-dragging, we drop and surrender. To announce this perilous moment, we may also use the hanky.

Rembrandt's Bathsheba, hanging in the Louvre, rests her gorgeous grief in a handkerchief and Leocadia, in the Quinta Del Sordo, hides one in her unseen hand, perhaps because Goya, who was both whimsical and witty, never wished to take unfair advantage of life. The hanky is also handy for veiling cleavages, for disguising a blush and for wrapping clean gold pieces like opulent nuggets.

Once, in Istambul, a nubile Turkish miss tried to strangle me with a peasant kerchief. I had no option but to rouse myself in my own defense and straighten her out by tossing her into the Straits. Later, as she was drowning, I felt qualms of conscience but I stifled my impulses and sat still. However, so that her troubled soul might have a straw to grasp at, I waved my handkerchief piously till nightfall when I went to bed. I would dearly have loved to create for her an artistic grave with linen hankies and silk kerchiefs, but her corpse never surfaced. Perhaps it was devoured raw by the poetesses of Lesbos, an isle not too far off in distance or in inclination.

Scholars tell us that a hanky was found in Tutankhamen's tomb. I don't doubt it, though I think it might well have been the Holy Spirit or, only one step down, the Dove of Peace. The Roman handkerchief, by order of the Emperor Aurelian, was long and full and was used to wave applause at the Circus. The modern hanky was born, most probably, under the name of "fazzoletto" in Venice, from where it travelled to the France of Henry II as an adornment for the ladies. Marie Antoinette thought the handkerchief should be square and, as her thoughts were law until that unfortunate day at the guillotine, so it was thereafter. During the Romantic era there arrived in Spain the handkerchief "à la fleur de Marie," which was draped from the fingers as a sign of distinction.

Nobody knows how old the hanky is, and I suppose that is equivalent to thinking what I want to think, that the handkerchief is eteranl, and has neither beginning nor end.

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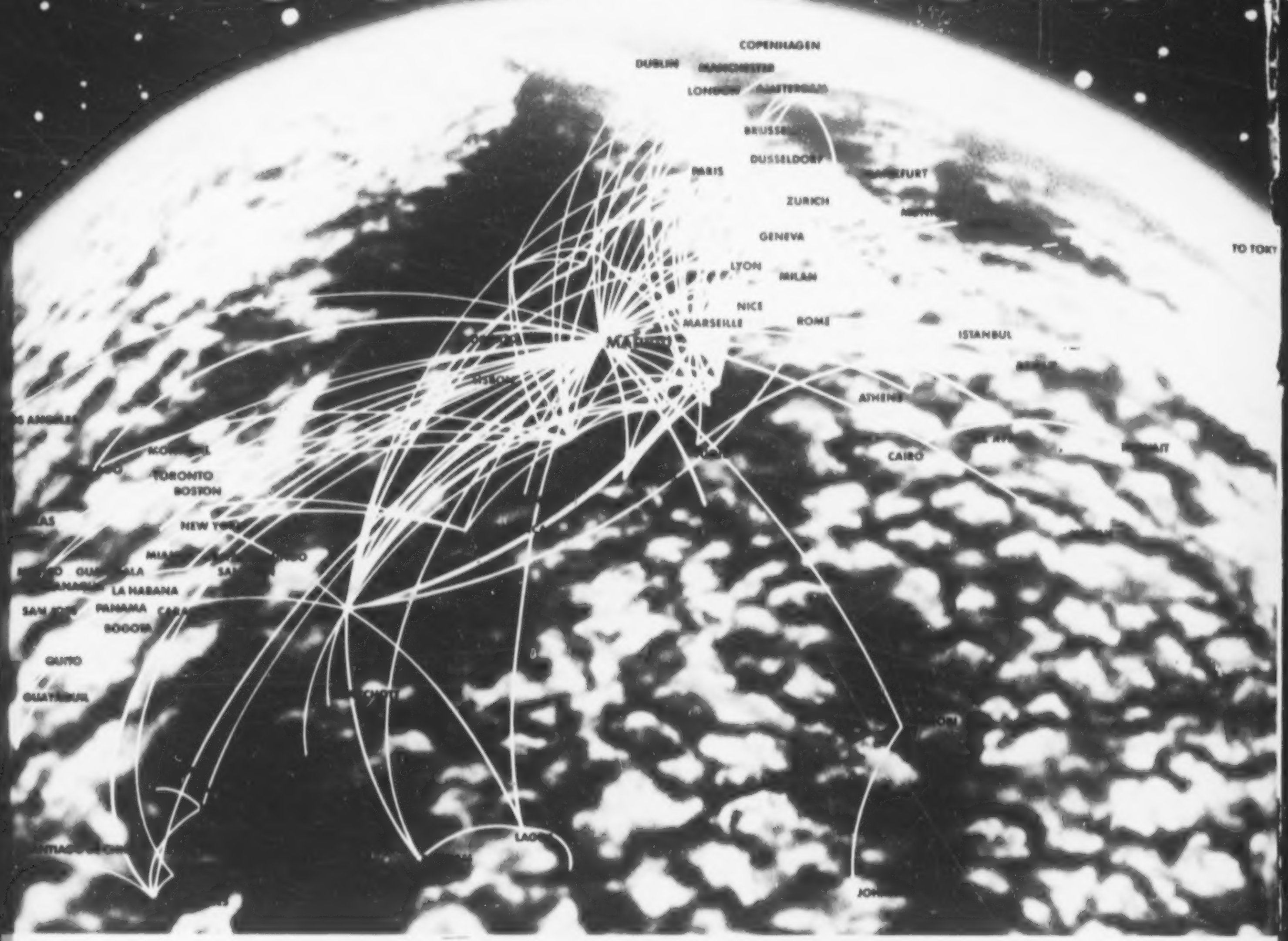
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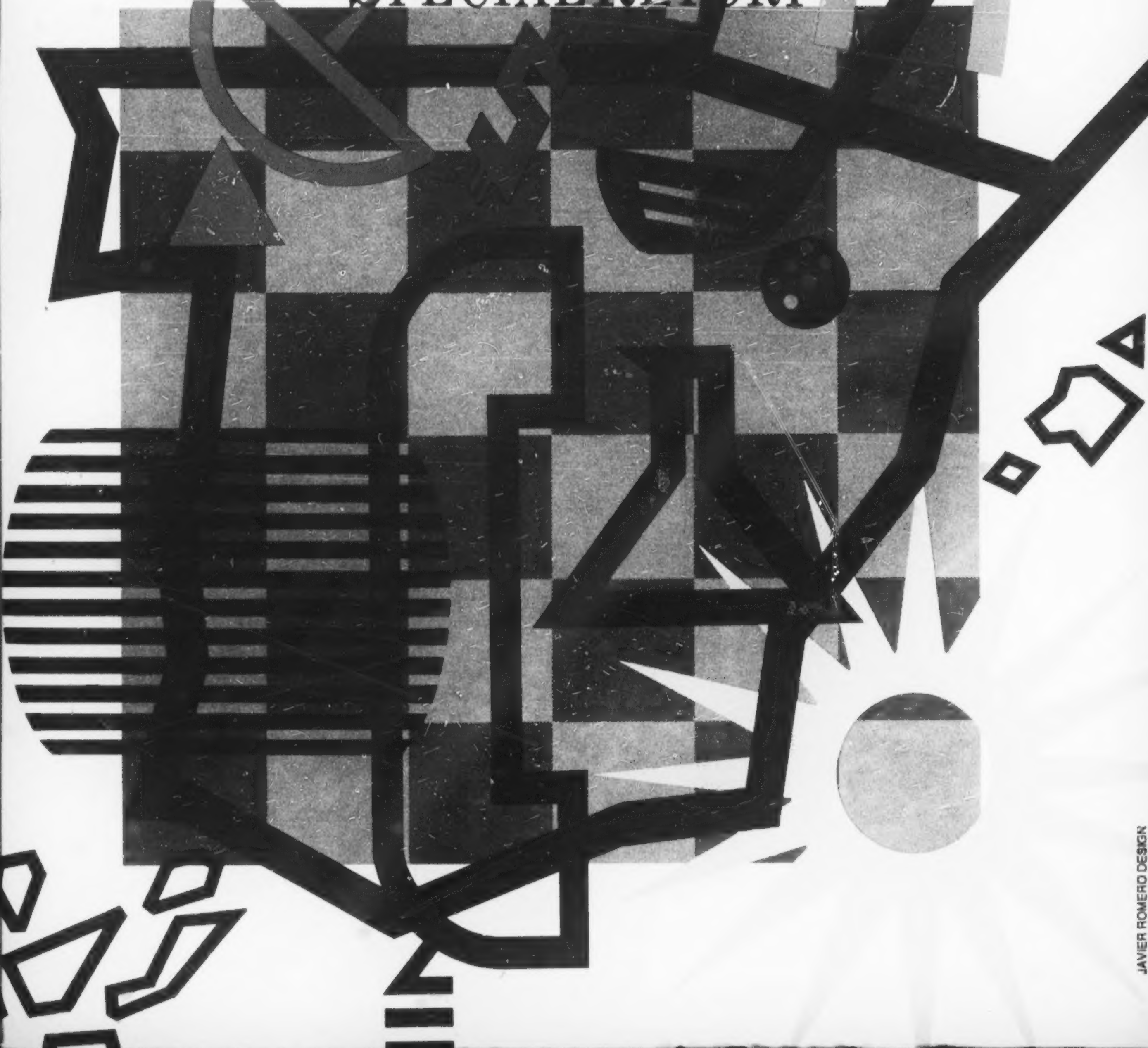

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THE BUSINESS LINK

A Quarterly Business Review
published by
The Spain-USA Chamber of Commerce, Inc.
CAMARA DE COMERCIO ESPAÑA-ESTADOS UNIDOS
A private, non-profit American organization.

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Spain Has a Strong, Healthy Base for Development, says Economist

PRIZE WINNING ECONOMIST LUIS ANGEL ROJO ADDRESSES SUSTAINING MEMBERS LUNCHEON

PROFESSOR LUIS ANGEL ROJO, Director General of Studies of the Banco de España and a recent winner of the King Juan Carlos I prize for economics, addressed a luncheon of the Sustaining Members of the Chamber at the University Club in October. The luncheon was organized with the generous help of Chamber Director José Peces, a member of the club.

The occasion provided a forum for an interesting exchange of information among Sustaining Members, highlighted by Mr. Rojo's commentary on the Spanish economy in the context of the world economy today.

While European economies expanded last year, largely because of the drop in oil prices and the subsequent fall in the value of the dollar, Mr. Rojo said, optimism among Europeans had virtually disappeared during the last half of the year.

This was due, he said, to an "abundance of uncertain elements" in the world economy, including the future evolution of the price of oil, the erratic movements of the volatile dollar, and the fate of the U.S. deficit.

In light of the world economic situation, there was cause for optimism in the case of Spain, Mr. Rojo said. Though Spain does not enjoy the economic conditions enabling it to employ a policy of expansion, it has established a strong, healthy base for development.

"Spain's economic policy of streamlining and adjustment, developed in the last few years, has begun to bear fruit, in that it is establishing more solid bases for growth," Mr. Rojo maintained; "the force of our economy has now begun to unfold with greater vigor."

Spain has finally begun to create rather than lose jobs, he said, and 397,000 new jobs were created in 1985. Employment will rise some two percent in 1986.

Mr. Rojo also pointed to the Spanish balance of payments, saying that they were now in a position to comfortably resist the tensions created by the necessary increase in imports tied to EEC membership. The current surplus in the balance of payments exceeds $5 billion—about 2.5 percent of the gross national product.

"The Spanish economy has come a long way toward an adjustment that has begun to produce positive results," he said. "Although some imbalances persist, their intensity has been considerably reduced. The Spanish authorities are prepared to maintain this economic policy at least in the short term to complete the remedy, because only in this way can we sustain growth and face confidently the difficult problems presented by our incorporation into the EEC."

The Spanish Government hopes to achieve a 4 percent rate of growth over the next two years, Mr. Rojo said, although naturally it would prefer a higher rate in order to more rapidly decrease the high unemployment rate in Spain. But there are still imbalances which make introducing new elements into the fragile

ABOVE, AMBASSADOR MANUEL SASSOT, CONSUL GENERAL OF SPAIN IN NEW YORK, PROFESSOR ROJO, LUIS BENITEZ DE LUGO, INMACULADA DE HABSBURGO, DIRECTOR OF THE SPANISH INSTITUTE, AND CHAMBER EXECUTIVE DIRECTOR MIGUEL SEBASTIA. AT RIGHT, PROFESSOR ROJO RECEIVES THE KING JUAN CARLOS I PRIZE FOR ECONOMICS FROM THE KING IN A RECENT CEREMONY.

process of growth too great a risk.

"The crisis of growth in countries on the path to development is the true crisis of the mid-1980s," Mr. Rojo commented, because of the grave social, economic and political problems it creates for the people it affects and because it constitutes a grave impediment to world economic expansion, since it negatively impacts on exports of industrial countries and throws shadows of doubt across the international financial system.

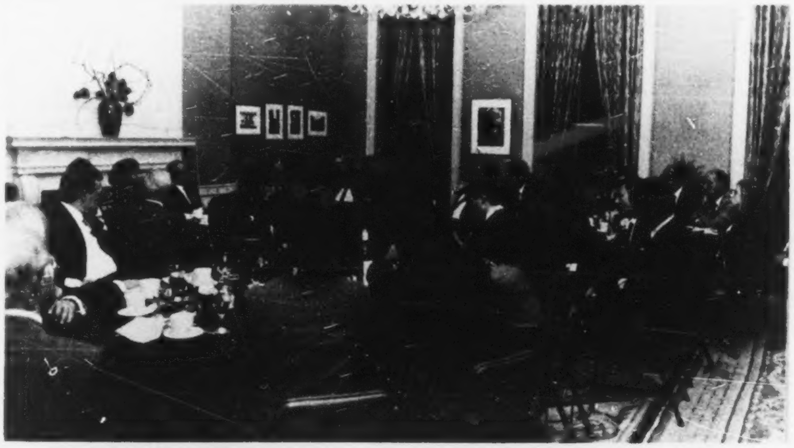
Mr. Rojo also addressed the question of protectionism and the United States. Protectionism, he said, has advanced in a truly threatening fashion in the last several years. "Under these conditions," he asked, "to what extent can industrialized countries recommend to the Third World policies to restructure their productivity in favor of exports on the basis of comparative advantages, when the barriers to practicing these policies are put up by the very countries which recommend them?"

"It is widely recognized," he pointed out, "that a reduction in protectionism would favor, before anyone else, the very countries that practice it. The United States expects other industrial countries to adopt more expansive economic policies. It understands that these policies will not create risks in the current situation of these other economies, but will facilitate the absorption of their high level of unemployed, and that it will favor the correction of the U.S. balance of trade deficit without excessively depreciating the dollar."

In turn, he continued, that would contribute to distancing the danger of a world recession and would inject new energy into world commerce, which would benefit developing countries.

The problems that developing countries are trying to deal with "can not be overcome unless the United States adopts a more energetic policy toward the reduction of its federal deficit," Mr. Rojo said.

Closing with a call for international cooperation on economic policies, he told members, "I have no doubt that the results of a spirit of cooperation could be very positive and could clear up considerably a world economic horizon that is today clouded by uncertainties. ☐



IBM Spain in New York

Professor Juan Linz of Yale University was the speaker at a dinner in honor of executives and members of the staff of IBM Spain on their annual visit to New York. For the third consecutive year the Chamber helped to coordinate the dinner, which was held at The Spanish Institute and attended, in addition to the members of IBM Spain, by guests of IBM and members of the Spanish business community.

AT LEFT, PROFESSOR JUAN LINZ DURING HIS TALK AT THE IBM DINNER. BELOW, JOSE LUIS DOTTI, GENERAL DIRECTOR, IBM SPAIN; PROFESSOR LINZ; JOAN TORRES, DIRECTOR GENERAL, CAIXA DE BARCELONA; AND CHAMBER PRESIDENT JOSEPH SANCHEZ.

Iberia Launches New Service from Chicago and L.A. to Madrid

Iberia Airlines of Spain is launching scheduled non-stop service from Chicago and Los Angeles to Madrid on April 2 and April 5 respectively. During April and May special introductory reduced fares will be offered. Roundtrip airfare from Chicago will be offered at $499 on Thursdays and $549 on Saturdays. Roundtrip airfare from Los Angeles will be offered on Sundays at $599 during April and May. Friday flights will be added on June 19. On the Chicago service, Iberia will use a DC-10 and on the Los Angeles service a Jumbo 747.

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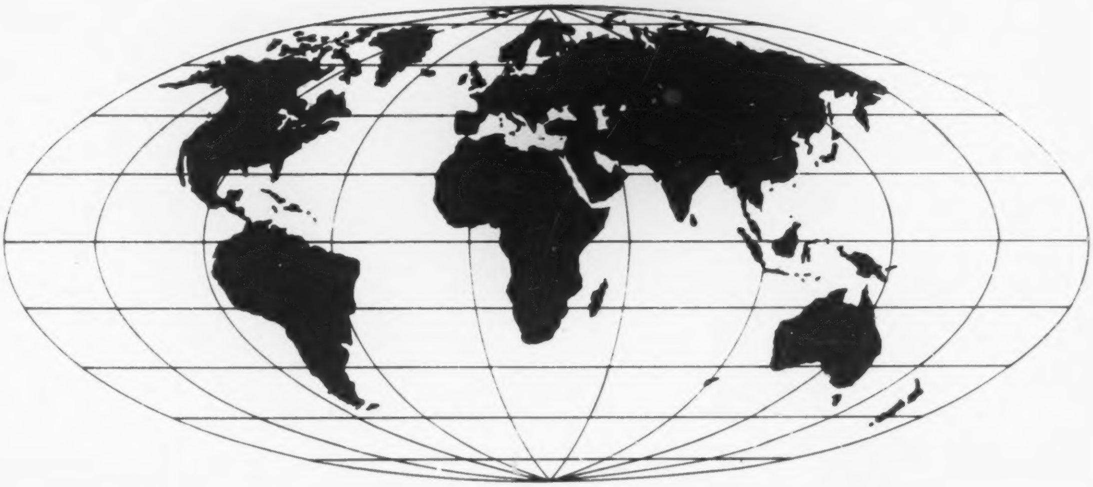

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Printing Services
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Shopping in Spain
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Tourism
PILAR VICO

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FROM THE EDITOR

In this issue...

"In Madrid everything has turned into shops," wrote Lope de Vega in 1906, describing the proliferation of a new type of establishment which was displacing markets and fairs as a meeting place for commercial transactions.

To borrow the observation of our national theater's founding father, we may say that in the Spain of 1987, "everything has turned into investments." That is to say that the industrial powers are now displaying a keen interest in the opening up of the economy of Spain, a process which began with its entrance into the EEC.

With its stable political system, large consumer market and solid export base, Spain has become a focus for foreign investments amounting to $8 billion last year.

The Chamber wants to bring to the potential U.S. investor Spain's attractive offer. We started by presenting a seminar on "Investing in Spain," which proved to be a huge success. Now we are including in this issue a special section on investment. A good number of reputable professionals participated in the seminar and have contributed to this issue, and the various efforts have been coordinated by Juan Prieto-Castro, Manager of Business Development at the Chamber.

The summer season is approaching and Spain will once again be the world's most visited country. Of the many delightful things to do there, boarding one of the recently inaugurated scenic railway lines will be among the most enjoyable. One of them, *El Transcantabrico,* is described by our contributor Judith Glynn. In any case, all the available options have the advantage of affordable prices, as the National Tourist Office tells you in this issue.

The "U.S. State by State" section, designed to present the main characteristics of the different states of the Union, features the second and last chapter on California, as well as a list of some of that state's most noteworthy companies in various sectors.

Finally, concerning the increasing number of unsolicited articles submitted for publication, it is unfortunate that the limited space available prevents us from publishing a number of excellent and informative pieces. We are also obliged to select articles with an eye to the necessity of balancing the subjects which make up *The Business Link.* Our apologies to those whose contributions do not appear in this issue.

ANTONIO CAMUÑAS, Editor

IBERIA'S
NEW
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For SpaceShip information and reservations, call an Iberia SpaceShipper at 1-800-221-6002. In N.Y.C. 718-632-1240.

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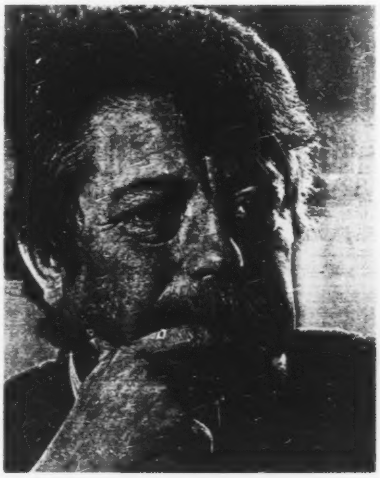
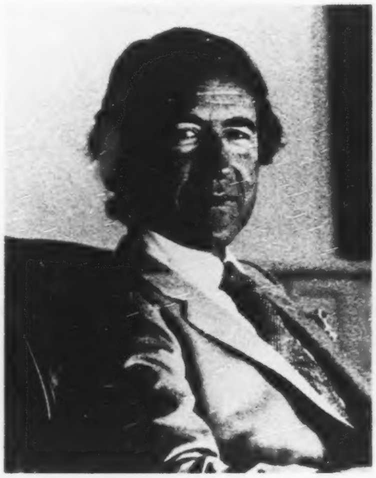
NAMES IN THE NEWS



JULIAN SANTAMARIA has been appointed Ambassador of Spain to the United States. He presented his credentials to President Reagan on May 12th.



PEDRO DE TOLEDO was recently appointed Chairman of Banco de Vizcaya. The bank showed a 42% increase in profits in 1986.

APOLONIO RUIZ LIGERO is now heading INFE, the Instituto Nacional de Fomento de Exportaciones.

JESUS DE AZCARRETA, a "Founding Father" of the Chamber, will expand his activities in support of the Chamber from Spain.

MERCEDES LAMAMIE DE CLAIRAC, Fashion Coordinator of the Commercial Office of Spain in New York, is being congratulated for the latest fashion shows she has organized in New York.

JOHN CINQUE-SACARELLO has been appointed as a member of the board of the New York City Housing Authority. He had previously served as Special Advisor to the Mayor for Hispanic Affairs and as national director of the Puerto Rico Labor Department's Migration Division.

FROM THE NATIONAL TOURIST OFFICE OF SPAIN

By PANCHO SHIELL

Spain: "An Exceptional Value for Your Travel Dollar"

WHETHER YOU TRAVEL IN BUDGET OR LUXURY STYLE

Visitors to Spain can enjoy more for their money, whether traveling on a bargain budget or in the lap of luxury. "Spain has always been a good value," says Paul Kerstetter, Vice President of Maupintour, "and it is an exceptional value for the travel dollar today. It offers quality accommodations, outstanding food, an exceptionally high calibre of service, and lower prices—for everyone. And the people are extremely friendly—the hoteliers, restaurateurs, and everyone in general!

Considering the essential aspects of travel: getting there, long distance and local transportation, accommodations and meals, as well as shopping and entertainment, a vacation in Spain is well within reach for the economy minded. But whatever the class of travel, Spain offers both an outstanding value for your money and a priceless experience of the country and its rich and colorful culture.

Madrid Least Expensive of 8 Cities

Last fall, the *New York Times* published a survey, "What Your Dollar Buys in 8 European Cities," including Madrid, with New York added for comparison. There were four categories—Taxi, Luxury Hotel, Moderate Hotel, and Dinner — hence 32 comparisons to Madrid. In 29 of the 32, Madrid was least expensive, and in most cases quite dramatically so. Costs in Madrid, compared to the average of all the cities listed across the board, were 43% less for Taxi ("a 2-mile ride"); 30% less for Luxury Hotel ("One night, double room, with tax and service, breakfast not included"); 36% less for Moderate Hotel ("One night, double room, with tax, service and breakfast"); and 39% less for Dinner ("For two, including bottle of wine, tip").

GETTING THERE

The least expensive flights to Europe are during the winter "low" season; the highest fares are during the summer "peak" season. However, those seeking "sun, sea and sand" can find them all year-around in the Canary Islands and the Mediterranean regions such as the Costa del Sol and the Balearic Islands, as well as so much more that all of Spain has to offer.

Iberia Airlines has nonstop service from New York to Madrid (daily), to Málaga, and, during the summer, to Santiago de Compostela. They also fly nonstop to Madrid from Miami and (beginning April –) from Chicago and Los Angeles. Their winter midweek APEX (Advance Purchase Excursion) roundtrip fare New York-Madrid is only $449 (through March 31); on the same fare basis, roundtrips between New York and Valencia, Alicante or Palma de Mallorca cost only $50 more.

Ideal for students (ages 12-24). Iberia's special year-around New York/Madrid or Barcelona "Youth Fare," good for a stay of up to one year, is only $436 roundtrip. At the other end of the fare gamut, a New York-Madrid "Grand Class" unrestricted roundtrip costs $1,770.

TWA, with daily nonstops between New York and Madrid and direct service to Barcelona, offers the same seasonal APEX through First Class fare structures, with seasonal periods as follows: *low:* Nov. 1-March 31; *peak:* June 1-Aug. 15; *shoulder* season rates apply to other periods, and also during the Christmas season from Dec. 8-24.

Spantax Airlines (NYC, 212/582--8267) operates inexpensive charter flights between New York and Madrid; roundtrip fares range from $369 in the low season (through March 31) to $539 during the summer peak season.

TOUR PACKAGES

Pre-arranged land accommodations and tour packages can be combined with your transatlantic flights and fares.

THE GREAT CATHEDRAL OF SEGOVIA

Iberia Airlines, in conjunction with many leading U.S. and Spanish tour operators, offers a vast selection of such programs. The airline's "Spain and Beyond" catalog outlines some 70 choices of independent or pre-set fly/drive itineraries, motorcoach escorted tours, independent "do-it-yourself" tours and stay-put vacations, including practically every resort area, region and aspect of Spain and many bargains. Their fly/drive package with **The Kemwel Group,** for example, includes a free rental car for one week with unlimited mileage.

TWA programs, "Getaway-Europe," "Super Saver-Europe" and "Club 60 Vacations" (for seniors), offer numerous packages of escorted, fly/drive and independent tours ranging from economy to deluxe.

Many U.S. tour operators specialize in Spain, offering a wide range of packages and programs to suit all budgets, needs, tastes and special interests. Many are surprisingly economical.

Spanish Heritage Tours (Forest Hills, NY, 718/544-2752 or 800/221-2580) features a one-week package at the 3-star Washington Hotel in Madrid for only $599 and another at the 3-star Regina Hotel in Barcelona for $669 (through March 31), both including roundtrip airfare from New York or Boston, continental breakfast daily, airport transfers,

"Whatever the class of travel, Spain offers an outstanding value . . . and a priceless experience of the country and its rich and colorful culture."

and all destination taxes and service charges.

Plus Ultra Tours (NYC, 212/242-0393 or 800/242-0394) offers Winter '87 packages including 7 nights/8 days at a choice of hotels in the subtropical Canary Islands, including roundtrip airfare, daily breakfast, transfers and baggage handling, service charges and taxes, starting at $629 (through April 30).

With **Ibero Travel**'s "Apartment Holidays" package you can move in for six nights at the Minerva Jupiter in Benalmádena on the Costa del Sol for from $540 per person, double occupancy, including roundtrip flights via Iberia, transfers, maid service and change of linen, service charges and taxes. Each additional week's stay is only $62! Ibero Travel (Forest Hills, NY - 718/263-0200 or 800/654-2376) also offers attractive motor coach tour packages, hotel and parador packages, and economical Fly-And-Drive programs combining airfare and self-drive car rentals.

A FIESTA IN ANDALUCIA.

Through **International Lodging and Travel Corp.** (Hollis, NY, 718/ /291-1342; telex 421560) you can rent your own seaside villa at El Capistrano, near Nerja on the Costa del Sol. Prices start at $241 weekly (through March 31), including maid service, for a 1-bedroom villa for two; an extra bed is $32 per week. They also specialize in villa and apartment rentals elsewhere in Spain.

For luxury travel—more value for more dollars, **Hartours** (Boston, 617/482-0076 or 800/821-0800) will show you "Madrid and the Heart of Andalucia" for 11 days, with accommodations in superb hotels and paradors, meals in specially selected restaurants, and scenic travel via deluxe chauffeur-driven car. Prices start at $2,100 per person (based on 4 people per car), not including airfare. Their luxurious "Orange Groves, Castles and Castanets" tour starts at $3,190 per person plus airfare.

For a unique experience in **super-luxurious train travel**, you can live on board the famous **Al-Andalus Express** during a four or five-day tour ($879 and $999 respectively) through Andalucia (starting and ending at Seville). Available through **Marsans International** (NY-Miami-Los Angeles, 212/661-6565 or 800/223-6114), the *gran lujo* Al-Andalus trip can be combined with a deluxe itinerary beginning and ending in Madrid, with transatlantic flight arrangements.

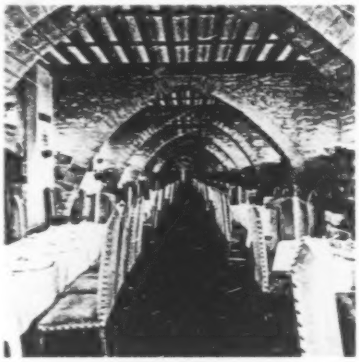
TRANSPORTATION BARGAINS

There are several bargains in transportation within Spain. With Iberia's "VISIT SPAIN" AIRPASS you can fly to your choice of as many as 30 selected Spanish destinations including the Balearic Islands, during any 60-day period, any time of the year, for only $199. And for an additional $50, the AIRPASS will add six Canary Islands, making a total of 36 destinations! Discounts for children are 50% and for infants 90%. The AIRPASS is available in conjunction with any Iberia transatlantic service.

Train travel is ideal for medium distances. RENFE (the Spanish National Railway Network) offers its TOURIST CARD to any traveler whose permanent residence is outside Spain. It can be purchased for periods of 8, 15 or 22 days of unlimited travel on the railway's 12,710 kilometers of tracks, and the prices at current exchange rates are $108, $175 and $208 respectively for first class and $75, $125 and $158 for 2nd class. Travelers can also use the Eurailpass in Spain.

RENFE also operates special **seasonal tourist trains**, each with its own theme, for one-day excursions out of Madrid to Avila, Sigüenza, Aranjuez and Salamanca, and additional routes are planned for the near future. There is pleasant onboard service by stewardesses during the scenic trips, and sightseeing, guided tours and other activities on arrival. Since these trains are subsidized by the regional tourist boards, the fares are extremely low—$9 or less! Another popular tourist train offers full weekend excursions from Madrid to Cáceres in Extremadura. The price, including two breakfasts, one dinner, museum visit, guided motorcoach tours of the Monumental areas, complimentary souvenirs, folkloric performances, and one night in a 3-star hotel, is about $78.

Where prices are in pesetas, U.S. dollar equivalents are according to press-time exchange rate: 130 pesetas = $1.00.



GUESTS AT THE PARADOR NACIONAL DUQUES DE CARDONA EAT IN WHAT WAS ONCE THE DUNGEON OF THIS NINTH CENTURY CASTLE.

For **ski season weekends**, enthusiasts can board the *"Estrella del Pirineo"* (Star of the Pyrenees) or the new *"Trenesquí Sierra Nevada"* (Sierra Nevada Ski Train) leaving Madrid on Friday night for a full weekend on the slopes. The RENFE packages, including train fare, local motorcoach transportation, hotel, meals, lifts and insurance, start as low as about $101 and $60 respectively.

Driving through Spain is another wonderful way to see the country and is relatively economical since the recent decrease in gasoline prices and, more important, a recent dramatic reduction of the VAT (Value Added Tax) on rental cars, from 33% to 12%. **Avis**, for example, offers reasonable car rentals such as a "Group A" subcompact with unlimited mileage, ranging from their "Super Value Rate" of 15,960 pesetas/$123 per week (through March 31) to their high-season (June 16-September 29) rate of 18,410 pesetas /$142 per week. (Rates are guaranteed in pesetas; the dollar equivalent is subject to the rate of exchange at termination of rental).

"Spain boasts some of the best restaurants in the world."

These, and car rental rates in general, do not include insurance and the 12% Value Added Tax.

Taxis are plentiful, reliable and inexpensive. In Madrid, Spain's most expensive city, the meter start-up is 80 pesetas (about 62¢), plus about 38 pesetas (about 30¢) per kilometer. There is an airport supplement of approximately $1.15, 20¢ per suitcase, and 40¢ for Sunday and nighttime rides. A 7% tip is ample. (Madrid has 15,500 taxis, which are maintained in good condition under strict regulations).

Bus systems in the cities are efficient and cheap, as are the **subways** in Madrid and Barcelona.

ACCOMMODATIONS

When it comes to accommodations, Spain stands out in terms of comfort, service and value for your money. For the cost of a room without bath at a YMCA in the United States, you could stay at a 2-star or even a 3-star hotel in Spain, with full service! Medium-priced hotels average from $25 to $30 and economy hotels from $12 to $15, per person, double occupancy. *Residencias* and *pensiones* are even less expensive. *Pensiones*, which cost about $10 per day, have restaurants which serve breakfast (about 80¢), lunch and dinner (about $4.25 each). If all three meals are taken, there is a 15% discount.

THE PARADORS

The government operated **paradors** (there are 83 of them throughout the country) are restored castles, monasteries and monumental historic buildings which have been converted into hotels with modern comforts and facilities, and many are also modern structures, resorts or lodges in key locations. Prices vary according to their 4-star (deluxe) or 3-star (first class) categories, and also depending on the season. The highest rate is that of the Parador Nacional San Francisco (Granada) during high season (July 1 to September 30, Christmas and Holy Week): 12,000 pesetas/$92.00; and the lowest is at the Parador Nacional Santa Maria de Huerta in Soria during low season (January 1-April 30): 5,000 pesetas/38.50. (These sample rates are for double rooms and do not include tax or breakfast).

LAGARTERA, IN THE PROVINCE OF TOLEDO, IS FAMOUS FOR ITS WOMEN'S EXQUISITE HAND EMBROIDERY, ONE OF THE MANY HANDICRAFTS WHICH MAKE SHOPPING IN SPAIN A DELIGHTFUL ADVENTURE.

Spain's superb paradors are unique and can not be compared to any other kind of accommodation. They offer very special quality and value.

MEALS

Eating customs in Spain are different, and the key word for the difference is "more"—more variety, quality, quantity and frequency, as well as value received for the price paid.

A continental breakfast, Spanish-style, can cost a little over one dollar. Since lunch and dinner are both major meals, they usually both cost about the same. In a moderate-range restaurant, the average cost would be about $12 with wine, tax and tip; in a typical restaurant, *taberna* or *mesón*, it would be about $9. Prices in towns and villages, of course, are lower than in major cities such as Madrid and Barcelona. Most restaurants and *cafeterias* offer a *menú* of the day including salad, two entrées, bread, dessert and wine, at a fixed price considerably lower than if ordering a la carte. By ordering the *menú* you can eat well in a moderate restaurant for about $4 to $5 in Madrid, and even less in small cities and towns.

Spain boasts some of the best restaurants in the world. In Madrid you can dine like a king at the renowned Zalacain for $65 and also eat like a prince at the charmingly typical Casa Ciriaco for $12.

Unique in Spain is the custom of eating *tapas*—mini-dishes or appetizers of an amazing variety, as extensive as the entire range of Spanish gastronomy. In Spain, bars and *tascas* are for eating as well as drinking and socializing. In Madrid alone there are 15,000 of them, in addition to some 5,500 restaurants, so the choice is wide. You can fill up on *tapas* or larger servings called *raciones*, enjoyed with wine, beer or mineral water, making them an entire meal instead of a prelude to one, for just a few dollars. Your change is always brought to you on a little saucer, and a tip of a few 5-peseta coins, called *duros*, or other small change, is plenty.

SHOPPING IN SPAIN

The greatest advantages of shopping in Spain are in purchasing Spanish products at the sources. You will pay much less, even a fraction of the price of the same goods imported into the U.S.—if they are imported at all. But the adventure and values of shopping in Spain for things that are unavailable anywhere else is an important part of the traveling experience. Wherever you travel in Spain you will find appealing local and regional handicrafts and artisanry. You can visit workshops and factories, watch the craftspeople at work, and buy direct for less. Lagartera and La Orotava (Canary Islands), for example, are known for their distinctive hand embroidery and lace work. You can buy Majórica Pearls and exquisite hand-blown glasswork in Majorca, hand-painted tiles and ceramics in Talavera de la Reina and Seville, mantillas and embossed leatherwork in Granada, and Lladró porcelains right at the factory in Valencia. The choices are endless—hand-painted fans, fabulous furs, fine fragrances, classical and flamenco guitars, home furnishings, wines and sherries, saddles and riding boots, and canned and packaged gourmet foods; and there are plenty of golden opportunities for art and antiques.

Spain is a haven for the fashion conscious, whether it's high fashion or ready-to-wear designer clothing. And names such as Cafre, Adolfo, Dominguez and Roser Macer are much sought after on the labels of the *moda joven*, or "young fashion."

MUSEUMS/ENTERTAINMENT

Entrance to museums ranges from free to 400 pesetas (about $3.08) as in the case of the top-of-the-list Prado in Madrid. The 400-peseta ticket admits visitors to the Prado and its annexes: Picasso and Guernica, 19th

(CONTINUED ON PAGE 64)

Agentes Extranjeros en Washington, D.C.

EL LABERINTO DE LAS CONEXIONES CON EL PODER

LESTER W. MILBRATH en su libro *The Washington Lobbyist* define el lobbying como fomento y trasmisión de información en nombre de un tercero, destinado a aquellos que ostentan el poder con el fin de influenciar sus decisiones. Ya a finales del siglo XV en el Monasterio de la Rábida, el franciscano Juan Pérez ejercía como lobbyist en nombre de Cristóbal Colón, al persuadir a la Reina Isabel la Católica sobre la posibilidad de viajar a "Las Indias navegando hacia el oeste.

La misión fundamental del lobbyist en E.E.U.U. consiste en informar e influenciar a los dirigentes politicos norteamericanos para que éstos, en el ejercicio de sus funciones públicas, favorezcan los intereses comerciales o politicos de un determinado sector económico, grupo social o país extranjero. La presencia del lobbying en el quehacer politico norteamericano resulta indispensable cuando los partidos politicos, medios de comunicación social y el propio gobierno no disponen de datos precisos y exhaustivos para resolver con acierto asuntos de actualidad, bien de carácter doméstico o internacional.

El lobbying con impacto internacional es ejercido en Washington D.C. por los llamados "agentes extranjeros": profesionales que en su mayoria han pertenecido a la clase politica, militar o administrativa norteamericana. Cesados de sus cargos oficiales, dichos ex-funcionarios se "reciclan" en el sector privado para vender su alta capacidad de persuasión, buenas conexiones, experiencia de gobierno y fácil acceso a las altas esferas del poder. Suelen llamarse a si mismos portavoces legislativos, consultores politicos y coordinadores de asuntos estatales. Trabajan en bufetes de abogados y empresas de relaciones públicas conocidas también como "consulting firms". Algunos de estos agentes extranjeros son reconocidos en el ámbito nacional como "superlobbyist", percibiendo unos ingresos salariales que oscilan entre los 250.000 y los 300.000 dólares anuales.

El lobbying es una actividad politico comercial legitimada por la Constitución y Tribunal Supremo norteamericano. Sin embargo, el Congreso de los Estados Unidos ha expresado en repetidas ocasiones preocupación de que a través del lobbying internacional, se supediten excesivamente los intereses nacionales a los extranjeros. Desde finales de los años treinta la administración norteamericana se ha esforzado en supervisar la representación de intereses internacionales por vias extradiplomáticas.

En 1938 el congreso de los Estados Unidos aprobó la ley F.A.R.A. (Foreign Agents Registration Act) como reacción a la incontrolada invasión de propaganda nazi y comunista patrocinada por ciudadanos norteamericanos y financiada por gobiernos y partidos politicos extranjeros.

La ley F.A.R.A. obliga a aquellas organizaciones y lobbyist que actuen en nombre de intereses internacionales a inscribirse como agentes extranjeros en el Departamento de Justicia norteamericano e informar periodicamente sobre sus actividades. En la actualidad dicha ley se utiliza para supervisar los servicios que los lobbyist prestan a embajadas y empresas extranjeras cuando unas y otras puedan verse afectadas por medidas politicas, legislativas o administrativas norteamericanas, con incidencia en intereses internacionales predominantemente de carácter económico.

JOSE M. HERRERO was born in Madrid in 1957. He is a member of the Madrid, District of Columbia, and International Bars. he received his legal education in the University of Madrid (J.D.), the Spanish Institute for Foreign Affairs, Madrid (Diploma in European Community Law), Indiana University School of Law (LL.M. in Foreign and Comparative Law), and Georgetown University Law Center (LL.M. in Common Law Studies). He has been an Official Escort Interpreter with the U.S. Department of State.

En 1985 un total de ochenta y cinco despachos de abogados y empresas dedicadas a las relaciones públicas y el lobbying actuaron como agentes extranjeros para protejer y favorecer los intereses comerciales japoneses en E.E.U.U. Se estima que el coste total de dichos servicios ascendió a los venticinco millones y medio de dólares.

En un informe de la G.A.O. (General Accounting Office), organo consultivo del Congreso norteamericano, hecho público en julio de 1986, Japón seguido de Canadá y Corea del Sur encabezan la lista de paises que más frecuentemente utilizan agentes extranjeros. En dicho informe se identifica también a 76 antiguos altos cargos de la administración norteamericana que trabajan en la actualidad como agentes extranjeros: seis ex-senadores, nueve ex-representantes, diecisiete funcionarios adscritos al Congreso, cuatro militares en situación de baja, dieciocho ex-ayudantes del Presidente y el resto personal directivo perteneciente en su mayoria al Departamento de Comercio y al I.T.C. (International Trade Commission).

La participación española en el lobbying norteamericano a través de agentes extranjeros resulta esporádica y asistemática. Quizas sea debido a la todavia reducida presencia comerical española en un mercado de más de 250 millones de

(CONTINUED ON PAGE 14)

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The Tax Reform Act of 1986

ITS IMPACT ON SPANISH COMPANIES WITH U.S. OPERATIONS

By NICASIO DEL CASTILLO

SPANISH CORPORATIONS doing business in the United States will be affected in a very substantial manner by the far-reaching provisions of the Tax Reform Act of 1986. Each company, therefore, will be forced to assess carefully the impact of the new provisions on its particular situation in order to minimize their potential adverse effects.

On the one hand, the Act significantly reduces personal and business income tax rates. On the other, it broadens the tax base substantially by eliminating a number of deductions, tax credits and other tax benefits. The Act is intended to be revenue neutral; that is, it is expected to produce the same total revenue as the present tax system over the five fiscal years 1987-1991. Overall, it is expected to increase corporate income taxes by about $120 billion over 5 years and reduce taxes on individuals and families by about the same amount.

CORPORATE INCOME TAX

Provisions Affecting All Corporations

Reduction in Tax Rates. The Act sets a maximum corporate tax rate of 34% on taxable income in excess of $75,000, thus substantially reducing the current maximum rate of 46% on taxable income exceeding $100,000. The new tax rate will not apply until July 1, 1987; accordingly, companies will be subject to a "blended" maximum rate of 40% for the tax year ending December 31, 1987.

Capital Gains. The Act repeals the 28% alternative capital gains rate for corporations. Thus, a corporation's net capital gains, including its gains on sales of business property, will be subject to tax at the regular 34% corporate rate. The 34% rate, rather than the blended 40% rate, applies to 1987 capital gains.

Computation of taxable income. The investment tax credit is repealed effective January 1, 1986. (There are transitional rules, however, for property under construction before December 31, 1985 or acquired under binding contracts entered into before such date.) In addition, because of the reduction in corporate rates, investment tax credit carryovers will be reduced by 17.5% for tax years beginning in 1987 and by 35% for tax years beginning in 1988 and thereafter.

Cost of acquisitions. The so-called "General Utilities" doctrine has been repealed. The main effect of this provision for a Spanish corporation acquiring a U.S. target corporation after January 1, 1987 is that the Spanish buyer will no longer be able to get a tax-free step-up with respect to the assets of the U.S. target even if the price paid includes a premium over book value. As a result, future acquisitions will be less cost-effective from a tax viewpoint. The Act contains partial relief provisions in the case of certain companies with values not exceeding $10 million.

Provisions Affecting Banks

Tax-Exempt Interest Income. Two changes are important. First, the Act restricts the types of state and municipal obligations that will qualify for tax exemption. Second, banks will no longer be permitted to deduct interest expense which is incurred to purchase or to carry most kinds of tax-exempt obligations acquired after August 7, 1986 (presently effective law allows 80% of such interest to be deducted, 100% if the obligations were acquired before 1983). The 80% deduction is retained for certain small issues acquired by financial institutions.

Net Operating Losses. The present rule which permits a banks net operating loss ("NOL") to be carried back 10 years and forward 5 years is changed to conform with the rules for non-banks. Under the Act, a NOL which is incurred in a taxable year after 1986 is carried back 3 years and forward 15 years. A special exception permits the portion of a post-1986 NOL which is attributable to bad debts to continue to be carried back 10 years. NOL's incurred prior to 1987 continue to be carried forward for only 5 years.

Bad Debt Reserve. The Act prohibits banks with assets of more than $500 million (large banks) from deducting losses for bad debts under the reserve method. The $500 million limit is applied on the worldwide controlled group (80% ownership) basis. Even though a foreign bank's U.S. assets may be much less than $500 million, therefore, the bank's U.S. operations will be subject to this rule so long as worldwide assets of the bank (including its 80% or more parents and subsidiaries) exceed $500 million. The Act also requires a bank in this category to recapture its existing loan loss reserve over four years, or else to reduce its existing reserve for future charge-offs of pre-1987 loans and to recompute its allowable reserve

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NICASIO DEL CASTILLO, partner in the New York office of Coopers & Lybrand, has had over fourteen years of experience in international tax planning both with regard to foreign investments of U.S. multinational companies and to U.S. investments of foreign interests.

His recent publications include articles in the *International Tax* journal and in *Tax Management*. He is also a co-author of "A Guide to Earnings and Profits in International Tax Planning" and of the BNA Portfolio "Business Operations in Mexico." He speaks frequently before professional organizations on international tax matters and is a former member of the AICPA's subcommittee on international taxation.

Mr. del Castillo, whose mother tongue is Spanish, is a Uruguayan Public Accountant and has completed the International Tax Program at Harvard Law School.

balance with respect to such loans only.

Foreign Tax Credit. Although most foreign banks restrict their U.S. operations to the U.S. market, some foreign banks may be affected by the provisions of the Act relating to the foreign tax credit. If a Spanish bank's U.S. office, for example, is subject to U.S. tax on interest from loans made to non-U.S. borrowers, *and* if that interest is subject to withholding tax in the borrower's country, the Act may limit the extent to which high foreign withholding taxes can be used to shelter U.S. tax on other foreign interest that is subject to little or no foreign withholding tax. In addition, the Act provides that a foreign tax credit may not be claimed to the extent that the foreign country imposing the tax provides a "subsidy" to the foreign borrower: this rule codifies existing IRS practice with regard to certain "net loan" arrangements.

BRANCH TAX

Spanish corporations operating in the United States through branches will be affected by the new 30% branch tax. This tax will be imposed on the after-tax earnings of a U.S. branch operation, to the extent that those earnings are not reinvested in the U.S. but instead are repatriated to the foreign head office. The purpose of this tax is to equate a branch with a U.S. subsidiary, which would be subject to withholding tax on dividends paid to a foreign parent company. Under the provisions of a number of tax treaties, however, the new branch tax may not be imposed, and even in those circumstances where it may be imposed, a tax treaty may reduce the rate of the tax to less than 30% (for example, to to 10% in the cases of Canada and France). This places Spanish corporations at a disadvantage vis-a-vis companies from treaty countries, because Spain does not have an income tax treaty with the United States.

The Act also expands the circumstances under which the U.S. may impose withholding tax on interest paid by a U.S. branch of a foreign corporation to its foreign creditors. This provision may be particularly relevant for Spanish banks with U.S. branches. Under presently effective law, interest which is paid by a U.S. branch of a foreign commercial bank to a foreign lender is subject to 30% U.S. withholding tax, unless the interest is paid with respect to a "deposit" with the U.S. branch. These rules in effect are retained by the Act. In addition, the Act provides for U.S. withholding tax on any *additional* interest that is claimed as a tax deduction on a branch's U.S. tax return and which is greater than the amount of interest actually paid out by the branch itself (this would occur where the U.S. deduction rules allow part of the interest expense paid by a bank's foreign head office to be claimed as a deduction by the U.S. branch). This withholding tax is imposed at the rate of 30%, which may be reduced or eliminated by applicable income tax treaties.

ALTERNATIVE MINIMUM TAX

The Act adopts an "alternative minimum tax" (AMT) that is imposed at the rate of 20% on "alternative minimum taxable income" (AMTI) in excess of $40,000 (but only to the extent the AMT is more than the regular federal corporate income tax). Unless careful planning and analysis are performed immediately, many companies which until now have paid little or no federal income tax will face higher tax bills as a result of the AMT. While the Act contains a number of provisions concerning the application of the AMT, the most significant for Spanish corporations with operations in this country is likely to be a new rule which classifies one-half of the excess of U.S. book income over U.S. taxable income as a "preference" item. As a result of this rule, many companies with book profits in the United States, but a loss for tax purposes, may be subject to AMT. □

MEMBER NEWS

50 Years Feeding Americans the Spanish Way

Goya Foods wound up a year of celebrations of its fiftieth anniversary with a gala ball last fall hosted by José Unanue, president of Goya Foods Inc., and Frank Unanue, president of Goya Puerto Rico and one of the "Founding Fathers" of the Chamber.

A highlight of the celebration, held at the Plaza Hotel, was the presentation to the brothers Unanue of a special award by Bronx Congressman Robert Garcia.

In accepting the award, José Unanue attributed the success of Goya Foods to his family and to the dedication of all the Goya employees.

More than 400 guests joined in the celebration, and congratulatory letters were read from Mayor Edward Koch of New York and from the Governor of Puerto Rico.

ABOVE: MEMBERS OF THE UNANUE FAMILY, INCLUDING CHAMBER 'FOUNDING FATHER' FRANK UNANUE; LEFT: CHAMBER DIRECTOR JOSE UNANUE.

AGENTES EXTRANJEROS EN WASHINGTON, D.C.

(CONTINUED FROM PAGE 11)

consumidores y un presupuesto federal para 1987 de un trillón ocho billones de dólares. En cualquier caso el impacto del lobbying en el sector público y privado de los Estados Unidos no puede ser subestimado ni debe evaluarse por principios idealógicos ajenos a la realidad política y económica norteamericana.

Desde el principio de su independencia E.E.U.U. ha defendido una gestión de gobierno abierta donde la voz del sector privado no queda silenciada donde empiza el diálogo a nivel de Estado. El éxito en la representación norteamericana va más allá de la estricta gestión diplomática a nivel oficial. □

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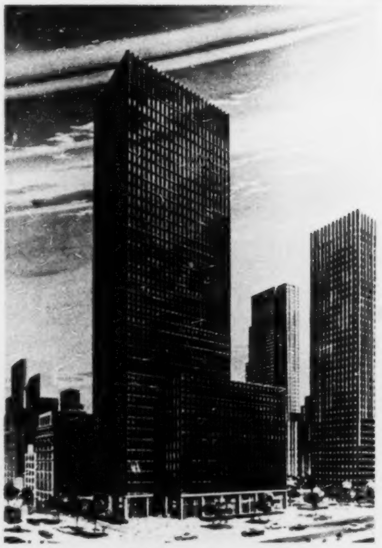
United States Real Estate and Foreign Investment

DESPITE THE FALL IN THE VALUE OF THE DOLLAR, FOREIGN INVESTORS STILL FIND U.S. REAL ESTATE ATTRACTIVE

By BRIAN WELD

INCREASED foreign investment in United States real estate attracted national attention in 1986. In particular, Japanese investors startled the New York real estate community by purchasing several Manhattan properties at premium prices. As the Japanese have become more active players in real estate, domestic as well as other foreign investors have started to re-examine the potential of this market.

Historically, real estate has been seen as a stable and economically attractive investment. As the value of the dollar strengthened in the early 1980s, foreign investors benefited from appreciation of property and a rising dollar-denominated investment. In addition to the economic reasons for foreign investment in properties, there is also the fact that the United States has maintained its reputation for political and economic stability and relatively limited government intervention in private enterprise.



THE ABC HEADQUARTERS BUILDING AT 1330 AVENUE OF THE AMERICAS

The countries from which the largest total investment in U.S. real estate came from 1980 to 1984 were: Canada, the United Kingdom, the Netherlands, the Netherlands Antilles, Germany and Japan. The Scandinavian countries, fairly new players in the U.S. real estate market, are also becoming increasingly active investors.

Insurance firms and pension funds in the United Kingdom and the Netherlands invested actively in U.S. properties. The major catalyst for U.K. investment was the loosening of their regulations in 1979, allowing for more capital investment overseas. British investors were also attracted by the higher U.S. yields—7-8% in the United States vs. 4% in London.

In 1985 and 1986 the global currency situation changed. The value of the dollar dropped in comparison to currencies such as the Japanese yen and the German mark. Some analysts feel the strength of the yen has been a major reason for the increased Japanese investment in U.S. real estate. Others attribute it to the attraction of the high investment-grade yields in America, currently an average of 6%, in comparison to the average investment-grade yield of 2 to 3% in Japan. The Japanese emphasis on long-term investment allows these investors to take lower cash-on-cash deals. Overall, it is felt that the Japanese see the market as low risk, with a high yield in the long run.

In New York, Japanese real estate purchases have been limited primarily to prime properties. These investors appear to focus on newer buildings in prime locations and are willing to pay premium prices. Some New York properties purchased in 1986 by the Japanese were: The Exxon building, bought for $601 million by Mitsui & Company; Tower 49, bought for $301 million by Kato Kagaku Company; the ABC headquarters, purchased for $175 million by Shuwa Corporation; Tiffany & Company headquarters, bought for $94 million by Dai-Ichi Real Estate Company; and 1 East 57th Street, purchased for $62 million, also by Dai-Ichi Real Estate Company.

As their currencies have strengthened, pension funds of some European countries such as Great Britain continue to buy U.S. real estate. This continued investment is due to concern by pension fund directors over increasing public sector control in their own countries. They are also attracted by the continued higher rate of growth in the United States.

(CONTINUED ON PAGE 19)

"TOWER 49" ON EAST 49th STREET IN MANHATTAN.

BRIAN WELD is a broker with Huberth & Peters, Inc., a leading full-service commercial real estate firm headquartered in Manhattan. Mr. Weld represented the Spain-U.S. Chamber of Commerce in our recent move to the Empire State Building. He has also represented the Belgian-American Chamber of Commerce and a number of other leading foreign financial groups in the successful implementation of their strategic real estate plans.

From Barcelona to Hunan (Via New York)

MANY SPANISH INDUSTRIES WILL FIND GOOD POTENTIAL IN CHINA "PROVIDED THEY ARE LOOKING TO THE LONG HAUL."

CHAMBER Director Vicente Garcia-Delgado recently returned from a ten-day trip to Hunan, China, where he negotiated a joint-venture agreement between a Spanish manufacturer, ASISA, Aplicaciones de Sistemas Industriales, S.A., of Sabadell, and Shao Yang No. 2 Textile Machinery Works, of Shao Yang, Hunan Province. According to Mr. Garcia-Delgado, a partner in the New York law firm of Windels, Marx, Davies & Ives, this event once again demonstrates the boundless synergism to be found in New York City.

ASISA, a leading Spanish manufacturer of state-of-the-art textile machinery, including the advanced high-pressure "jiggers," had in recent years sold a number of its Spanish-made machines to the People's Republic of China. During roughly the same period, Windels, Marx, Davies & Ives was becoming increasingly involved with legal matters in the People's Republic, Japan and other Asian countries. As part of this involvement, the firm sponsored legal training for one of the first Chinese lawyers to attend Columbia University Law School, Mr. Ge Xiaoyuan.

In April 1986, Mr. Ge, Mr. Garcia-Delgado and officials from China United Trading Corporation (New York) participated as panelists in a Barcelona seminar on doing business with China, sponsored by the Jove Cambra de Barcelona, Citibank, ESADE, and Nutrexpa, as well as Windels, Marx, Davies & Ives and other prestigious organizations.

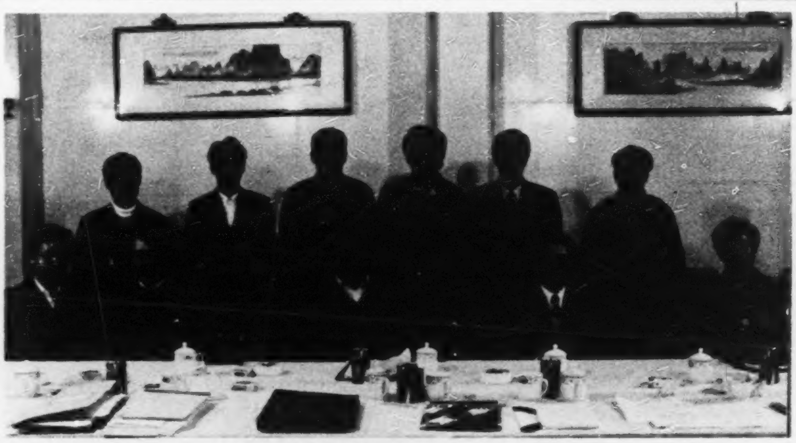
Shortly thereafter, in the course of a June 1986 meeting in New York, Mr. Garcia Delgado introduced ASISA's Executive Director, Adolfo San José, to China United Trading Corporation representatives. It soon became apparent that the ASISA technology was of primary interest to the Chinese Ministry of Textile Industry in connection with plans to increase Chinese garment exports.

Again in New York, the prospects of a joint-venture between ASISA and Shao Yang No. 2 Textile Machinery Works were more thoroughly explored during an October 1986 meeting among Mr. San José, Mr. Tong Ying, Director of the Hunan Construction and Economy Development Committee, Mr. Ge and Mr. Garcia-Delgado. Once the bases for a possible joint-venture were established and preliminary information exchanged, formal invitations were issued by the Hunan Provincial Foreign Economy & Trade Committee for Mr. San José, Andrés Marcos, a senior ASISA manager, and Mr. Garcia-Delgado to come to Hunan to further discuss and negotiate the basic terms of a joint-venture agreement.

During the Hunan meetings, in late February, the parties were able to reach an agreement-in-principle for the transfer of the ASISA technology and the manufacture of certain parts of the ASISA machines in China. "It is not customary to reach such an agreement in a relatively short period of time," says Mr. Garcia-Delgado. "Here, however, a number of happy circumstances converged: ASISA was available at the right time with the technology the Chinese were seeking, and New York City provided the environment for all that chemistry to react quickly."

Vicente Garcia-Delgado, a member of both the Barcelona and New York Bars, has been following the new Chinese laws and regulations concerning foreign investments and finds the China experience intensely rewarding. Spain possesses much of the medium-level technology that China so desperately needs for its modernization plans, he says, and therefore much remains to be done. Other Spanish projects in China are already on the horizon, one of which, involving Spanish technology for quarrying, fabricating and exporting Chinese granites, may take him back to China in the coming months.

"We've just set out on our journey, but the potential is exceedingly promising for many Spanish industries provided they are looking to the long haul. The Chinese are extremely capable people and they well understand that it is profit in



THE NEGOTIATING TEAM AFTER COMPLETION OF THE FEBRUARY MEETINGS. (FRONT ROW, L TO R) GE XIAOYUAN, VICENTE GARCIA-DELGADO, WANG XIAOHUI, ADOLFO SAN JOSE, ZHANG DIANSHENG, ANDRES MARCOS, ZHOU BINGZHAO, AND YANG JIUPING.

ZHANG DIANSHENG (CENTER), DIRECTOR OF SHAO YANG NO. 2 TEXTILE MACHINERY AND HIMSELF A LAW GRADUATE, WITH THE TWO ATTORNEYS INVOLVED IN THE ASISA PROJECT, GE XIAOYUAN AND VICENTE GARCIA-DELGADO.

the end that motivates foreign enterprises to invest in China. The Chinese are therefore prepared to find the right formula for the right case, but they are looking for long-term partners, not people after a fast buck. If you have something good to offer that can help increase exports or upgrade existing technology, and are willing to stand by your technology and make a real commitment to seeing the matter through, your chances of reaching a mutually satisfactory and profitable formula of cooperation with your Chinese counterparts look pretty good.

"In addition, many new regulations, particularly the October 11, 1986 incentives for foreign investments, put the possibility of a suitable agreement within reach. And if you are in New York City, you might find things to be marvelously expedited." □

U.S. REAL ESTATE AND FOREIGN INVESTMENT

(CONTINUED FROM PAGE 17)

Foreign funds have been targeted toward many areas of the United States, but they have been particularly attracted to properties in the Northeastern states.

The future of foreign investment in U.S. real estate will be affected by many factors. As in the past, global currency valuations will be an issue. Regulations, such as the new 1986 tax law, are bound to impact both domestic and foreign investors. As major players in the real estate market gain market knowledge—particularly Japanese investors—their behavior in the market will change. Also, the effect and extent of partnerships between foreign investors and domestic real estate institutions remains to be seen. □

IMMIGRATION

New U.S. Immigration Bill

IT DRAMATICALLY AFFECTS STATUS OF ALIENS

By PHILIP J. KLEINER

IN NOVEMBER OF 1986 the Congress of the United States passed and President Reagan signed a new Immigration Bill that dramatically affects the status of aliens in this country. This month's article will bear on the major highlights of the new Act.

AMNESTY

A new class of immigrant has been created, in that any alien who entered the United States prior to January 1, 1982 *and* who has been in this country in an unauthorized status prior to 1982 may qualify for amnesty. An amnesty applicant must file an application by July 1, 1987 in order to qualify. Although the Government has not yet established regulations on the "nuts and bolts" of the new Act, we do know that a qualifying amnesty applicant will be given authorization to work and be put into a newly created "temporary resident" status. Prior to the expiration of a subsequent 18 month period, the applicant will be required to make a final application for conversion of status to that of a "permanent resident," that is, a "green card" holder. All in all, it seems that we will not see the final product of a successful amnesty case until 1989.

Amnesty presents a variety of complications and contradictions. For instance, an alien who was smuggled across the Rio Grande on December 30, 1981 will be in a better position than a foreign student who has been in the U.S. since 1975 and who has maintained status throughout his stay. Further difficulties will be encountered as to the level of proof required to demonstrate that one has been in the U.S., including such quirks as persons working "off the books," using aliases or non-existent social security numbers, etc.

A second major change involves employer sanctions, the first in U.S. history. It is now unlawful for an employer to hire an alien who is not authorized to work in this country. Until the signing of the Bill, American employers were free to hire any individual applying for a job regardless of their immigration status. Generally speaking, an Immigration Officer could not even bar an alien from unauthorized employment even while this alien was under deportation proceedings. The new sanctions basically establish an initial employer "awareness" period of six months and thereafter impose either civil or criminal fines, depending on the frequency of hiring violations. In addition, a new system of verification forms will be generated by the Government requiring both the alien and the employer to assert under penalty of law for perjury that the alien's credentials have been verified.

Surprisingly a reading of the law as it is enacted now permits the hiring of an individual who possesses a social security card and a driver's license with photograph. It is expected that this and other idiosyncrasies of the law will be tightened once regulations appear next spring.

REGISTRY

A very important aspect of the statute is the updating of the Registry section. Although the general public is unaware of it, Section 249 of the Immigration & Naturalization Act has for the past 35 years accorded "automatic" permanent residency to any person who entered the U.S., in any manner, prior to June 30, 1948. This section has now been changed to read "prior to January 1, 1972." This Registry law, unlike the Amnesty law, does *not* distinguish as to the status of the applicant prior to 1972. Thus a person who has resided in the U.S. since 1971 or earlier, *even* if in legal status until today, is eligible for immediate permanent residency. There is no "temporary residency" involved.

The next issue will discuss the new Marriage Fraud Act and significant changes in the law that may affect F-1 students. □

This article continues our series on immigration problems by Mr. Kleiner, a partner in Barst, Mukamal & Babitt, the largest U.S. law firm specializing in immigration law.

CHAMBER NEWS

La Cámara firma un convenio de promoción con Galicia

SUPONE LA FINANCIACION DE UN BECARIO QUE TRABAJARA EN LA CAMARA.

EL 14 DE NOVIEMBRE tuvo lugar la firma de un convenio entre la SPAIN-U.S. CHAMBER OF COMMERCE, el BANCO PASTOR, y la CAMARA DE COMERCIO DE LA CORUÑA, con objeto de fomentar las exportaciones gallegas a los Estados Unidos.

Asistieron al acto Antonio Grandio Dopico, Director de Relaciones Institucionales del Banco Pastor, Gonzalo Ortiz Amor, Secretario General de la Cámara de Comercio de La Coruña, y Miguel Sebastia, Director Ejecutivo de esta Cámara.

El citado convenio, de trascendental importancia para el desarrollo de las exportaciones españolas, supone la financiación de un becario que se dedicara fundamentalmente al analisis del mercado americano y a la gestión directa de la contratación de exportaciones españolas a los Estados Unidos durante un periodo inicial de dos años, así como a la posible captación de inversiones americanas para España y a las nuevas tecnologías.

Para ello, inicialmente se seleccionaran cuatro o cinco sectores de la economía gallega que por su grado de desarrollo y capacidad puedan resultar atractivos para los posibles importadores americanos.

El Programa de Trabajo que ha sido elaborado a lo largo de un año, para recibir en USA a cuatro becarios españoles (los otros tres proceden de cámaras hermanas de Madrid, Barcelona y Bilbao) implica además de un stage previo de formación y una actuación de marketing directo, culminando con el cierrre de operaciones comerciales y financieras concretas.

Esta experiencia totalmente novedosa en España se apoya en la preselección de 4 o 5 sectores relevantes de la economía gallega cuya penetración o punto de lanza en el importante mercado americano se basara en las 4 o 5 empresas punteras en dichos sectores, tanto por su dimensión como por su capacidad productiva y calidad de producciones, que supongan garantía de abordar con exito una apertura del mercado con consolidación de nuestra presencia en USA.

La parte más importante de elevados costes de este proyecto es financiada por la Cámara de Comercio de La Coruña y el Banco Pastor, correspondiente a las empresas seleccionadas una pequeña parte del gasto, que asimismo les da el derecho al servicio directo de las más importantes funciones del bacario.

Por su parte la Spain-U.S. Chamber of Commerce ha elaborado el programa de soporte de los becarios, y pone a disposición de los mismos la infraestructura física y los mecanismos de ayuda institucional así como dos personas de apoyo al trabajo de los becarios.

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Iberia Airlines '86 Profit First in Ten Years

Iberia Airlines of Spain has announced a world-wide gross profit of $45.9 million and a net profit of $5.3 million for 1986, the carrier's first in ten years. The airline's total revenues of $1.98 billion, an $82 million improvement over the previous year, were attributed by Manuel Pinto, Vice President, USA, to Iberia's quick response to supply and demand on the airline's routes, among other factors. Frequencies on certain depressed routes were reduced in the first half of 1986 and frequences were increased on routes with increasing passenger traffic. The redeployment of equipment allowed the company to increase its load factor to 67.1%.

For example, Iberia increased frequencies on its Latin American Routes, with Argentina-Spain service showing a 50% increase.

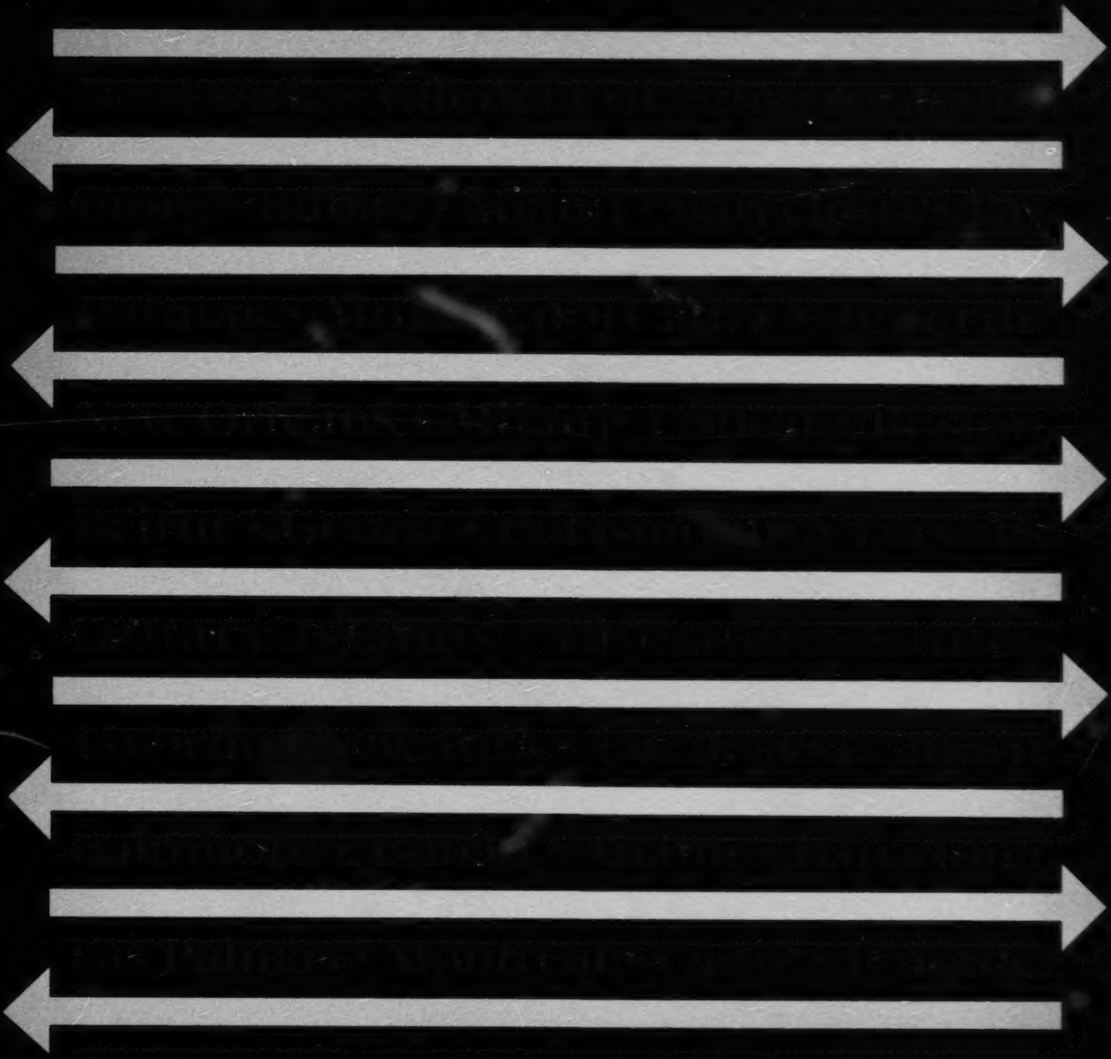
Overall, the airline, Europe's third largest, saw an increase in passenger traffic of one-half million, bringing total passenger traffic for 1986 to 13.6 million, an increase of 3.8%.

The new Tokyo service transported 28,376 passengers in 1986.

Traffic decreased on North American routes by 79,000 passengers due to negative publicity caused by isolated terrorist incidents—a factor which also caused a sharp decline in U.S. tourist arrivals throughout Europe. Traffic also declined on the African and Middle Eastern routes.

Cargo traffic increased by more than 12 million tons per kilometer over 1985.

Iberia improved its punctuality average, with 80% of aircraft departing within 15 minutes of schedule.



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INVESTING IN SPAIN

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A SPECIAL REPORT

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Investing in Spain: A Special Report

The Opportunities for Investment in Spain

AND HOW THE SPAIN-USA CHAMBER OF COMMERCE CAN HELP YOU FIND THEM.

By MIGUEL SEBASTIA
Executive Director
Spain-USA Chamber of Commerce

A quick review of recent news is enough to see that the attention of the international community was turned to Paris and Washington, where the leading industrial nations met to talk about how, and at what rate, to stabilize the dollar.

As these countries search for the still elusive goal of control of wildly fluctuating rates in today's currency exchange, guesswork has become the reigning strategy in the market. This in turn fosters even more intense speculation throughout the world.

While world attention and the energies of financial experts are focused on the bouncing dollar and the huge U.S. federal and trade deficits, some approaches to solving the problem are being overlooked.

First, countries such as Japan and West Germany should take a more active role in the world economy by expanding their own domestic economies.

Second, the United States must deal with its deficit problems and turn its attention and energies toward improving its export performance.

Everyone agrees that a more stable dollar is necessary. But the United States cannot improve its exports simply by artificially stabilizing the exchange rate or attempting to influence the economic policies of other countries. Long term strategy is the key, and it involves several distinct aspects.

Perhaps the most crucial factor in building exports is understanding the "foreign" market—the people with whom business is being done, and their culture. This requires a special sensitivity on the part of the marketer toward the clients' needs, which are often very different from those of the domestic market. It demands a profound knowledge of the cultural and business atmosphere of the target country. This "sensitivity factor" is often very low in the United States, which sometimes has difficulty visualizing the world beyond its borders because, with its enormous domestic potential, it is a world in itself. U.S. resistance to learning and using languages other than English also narrows the possibilities for successful export strategies.

Therefore, a sound U.S. export strategy begins by finding active partners abroad with knowledge of and access to other foreign markets. Basing international operations in a young and growing country will add momentum to their dynamics.

Spain, whose language is spoken by more than 300 million people all over the world, provides not only an attractive domestic market of almost 40 million consumers but also a business gateway to both Latin America and the European Community.

Spain's period of transition into the EEC ends in 1992, coinciding with the deadline for the removal of all remaining barriers between the twelve EC countries and the transformation of the Community into a "United States of Europe" and a vast, open market of 322 million consumers. At that time Spain will also become a focus of world attention when it hosts the '92 Summer Olympic Games in Barcelona and the World Fair in Seville celebrating the 500th Anniversary of Spain's discovery of the Americas.

Investment opportunities in Spain are available not only to large multinational companies but also to small and medium sized firms which can take advantage of joint ventures, partnerships or distribution arrangements with Spanish companies.

Unfortunately, Spain is still unfamiliar to most Americans as well as to the U.S. business community. This section outlines the opportunities for business in and with Spain. It consists of a series of articles and reports centered on the summaries of the presentations made by top executives of leading international companies during the recent "Investing in Spain" Seminar which the Chamber organized. My most sincere gratitude goes to these executives, who repeatedly supported our initiative with their personal efforts and who are mostly reponsible for the Seminar's success.

Let us know about your company and your product or service. Join the Chamber, gain access to its network and penetrate the ranks of the Spanish business community.

We mean business!

Investing in Spain: A Special Report

'Investing in Spain': A Successful Seminar

A highly productive and well attended Seminar on the theme, "Investing in Spain: A Unique World-wide Opportunity Within the European Market," was sponsored by the Chamber at the St. Regis-Sheraton on January 27 and 28.

The success of the Seminar was possible very largely because of the help and cooperation of a number of people and organizations, most especially the speakers, the sponsors, those who took notes on the addresses for publication on the following pages, and the dedicated Chamber staff.

We would like especially to thank the following:

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and our gratitude to
THE COMMERCIAL OFFICE
OF SPAIN IN NEW YORK

Special thanks also to:
Luis Benitez de Lugo
James Kiss
David Burns
Fernando Sanchez-Rau

Nicole Sierra
Jesús Herrero
José Hernánz
Juan Galan

Alex Pedreño
Emilio Alvarez
Tom McKean
Javier Márquez

LEFT: GUILLERMO DE LA DEHESA, SPAIN'S SECRETARY OF STATE FOR ECONOMY, SPEAKS AT THE TUESDAY AFTERNOON SESSION OF THE SEMINAR.

BELOW: JAMES KISS, WHO WITH LUIS BENITEZ DE LUGO ABLY MODERATED THE SEMINAR, INTRODUCES THE SPEAKERS AT THE WEDNESDAY MORNING SESSION.

BELOW, LEFT: CHAMBER DEPUTY DIRECTOR ANTONIO CAMUÑAS, JOSE FERRER, PRESIDENT OF FREIXENET, DAVID ROCKEFELLER, MR. DE LA DEHESA, AND MIGUEL SEBASTIA, EXECUTIVE DIRECTOR OF THE CHAMBER.

BELOW, RIGHT: MR. ROCKEFELLER SPEAKING AT THE SEMINAR.

Investing in Spain: A Special Report

"The absence of regulations is the best incentive of all."

—**GUILLERMO DE LA DEHESA,** *Secretary of State for Economy of the Government of Spain*

The following are excerpts from the addresses of the panel members at the January 27-28 Seminar, "Investing in Spain."

INCENTIVES are only part of any decision by a foreign businessman to invest, Guillermo de la Dehesa, Secretary of State for Economy of the Government of Spain, told the Seminar. Several studies have been conducted in Spain, he said, to find out what factors investors would take into account when deciding on making an investment abroad. The studies revealed that the primary factors were not incentives but concerns about stability—political as well as economic.

"For example," he said, "before we joined NATO there was a tremendous list of foreign investors waiting to see what the outcome of the referendum (in 1986 on adhesion to NATO, the North Atlantic Treaty Organization) would be."

Another very important factor is the size of the market, he said, explaining that the history of foreign investment in Spain has two separate phases. "Prior to 1974, all investment in Spain was oriented toward the internal market. At that time, Spain had very high tariffs and was well sheltered from the rest of the world. That meant it was more profitable to invest in and sell products manufactured in Spain for the Spanish market.

"After 1974, we started negotiations with the EC and began to acquire the status of a consolidated democracy. Then we started seeing investors looking not only at our internal market but also thinking about using Spain as a platform for exporting to the rest of the world."

Spain, motivated by the vision of a Europe that by 1992 should be a free market encompassing some 350 million people will look to the European market as its principal target for foreign investment.

On the specifics of foreign investment policy, Mr. de la Dehesa said that Spain's regulations were induced by EC membership. Following the Treaty of Rome, all the regulations which Spain is now drafting will be applied as much as possible to the rest of the world. "What this means is that we are not going to create, as other countries are doing in Europe, any distinction. We are going to open up as much as possible to the rest of the world.

Investment in the Spanish Stock Exchange

"With new regulations now in effect, you can invest in the Spanish stock exchange with no previous authorization. The only requirement is that you register the transaction, giving you the right to transfer dividends and capital to your country of origin."

The regulations follow the principles of the EC, which require the free flow of capital. Foreign investments in Spain have been liberalized to allow foreign participation up to 50% of the capital of the company. Beyond 50% the investment must be submitted for approval by the Ministry of Economy.

Limits on investments include some special sectors, Mr. de la Dehesa said, in Spain as in the rest of the world. There are limits in defense, telecommunications, broadcasting, air transportation and gambling, all of which require special authorization.

"In other areas, however, we continue to liberalize. Royalties, for instance, were subjected for many years to registration, while today we allow every company to transfer them abroad freely.

"And there is no limit now on Spanish funding to foreign companies. Until recently foreign companies had a limit to domestic funding; now they can fund up to 100% in Spain if they want, instead of bringing money from abroad.

"We would like to attract foreign investment now—not to bring in money, because we have a $17 billion reserve, but rather for the ability and knowledge it brings in with it. This is what we need, and that is why we do not mind if the funding is in Spanish pesetas."

The future of such investments, Mr. de la Dehesa said, was influenced by the EC. "By December 31, 1988 we have agreed to liberalize investments by Spaniards in foreign stock. Today those investments are limited to 30% of each individual's total net worth.

SPAIN-US
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Regis Sheraton

"By December 31, 1990, we will also have completely liberalized Spanish investment in real estate abroad. We will liberalize the free admission of stocks and bonds in the Spanish market, as well as Spanish companies issuing stocks and bonds abroad.

"Finally, by 1992 we will have liberalized the short term movements of capital, and Spaniards will be able to hold deposits and maintain current accounts abroad."

On incentives, Mr. de la Dehesa detailed some specifics: A new law has been passed, he said, adapting Spain's incentive system to that of the EC, meaning that incentives are allowed only in the underdeveloped or depressed areas, as well as in some specific sectors if the EC rules that it is necessary to restructure or develop such sectors. At present there are three such sectors: The iron and steel industries, mining (especially coal), and energy-saving and technology.

Regarding depressed geographic regions, said the Secretary, Spain has reached an agreement with the EC under which almost 90% of Spanish land is eligible for incentives, except for some rich areas of Cataluña, the Basque country, and Navarre.

these decisions fall under my jurisdiction." Regional governments, however, also provide for these types of incentives.

The main instruments for these incentives are cash subsidies of $2,500 for each worker engaged for a year. There are also tax allowances of up to $4,000 for each worker for four fiscal years, special grants in cash for hiring the unemployed (up to $7,000 per worker) and special deductions on social security taxes for employers hiring people for more than three years.

Other incentives include credits with preferential rates of up to 70% of the investment, given both by Spanish government banks and by European investment banks. Also the European Assistance Social Fund gives special credits in those cases where the funds are to be used toward the relocation of workers in training.

"We also recently created an over-the-counter market for small and medium sized companies that can not come to the stock exchange, and gave them lots of incentives and possibilities to get funds without intermediation of the financial entities and institutions."

The Secretary closed by noting that gross foreign investment in Spain more than doubled in the last year to $7.6 billion. "That is because our country has reached a high degree of stability, both in the economic and political arenas, having fully joined NATO and the EC, thereby gaining the confidence of investors around the globe.

"Membership in the EEC is the best thing that could have happened to Spain."

TOM BURNS

Madrid Correspondent, Reuters, Newsweek, the Washington Post; publisher of Spanish Trends.

Membership in the European Community means an end to the economic and political isolation of Spain, Tom Burns told the Seminar. The process of opening windows on the world has two precursors, both of which had positive results: the stabilization plan of 1959 and the 1970 preferential agreement between Spain and the EEC.

The stabilization plan, he said, marked the end of autarchy, the system which attempted to make Spain economically self-sufficient throughout the 40's but which in fact submerged the economy in a thick net of government controls, regulations and interventions, suffocating economic initiative and activity. Under the new plan, set up by the IMF, the prevailing exchange rate system was abolished, the credit system was overhauled, the peseta devalued, monetary policy tightened, and quantitative barriers on imports faded out.

The program met with resentment from the political and economic establishment, which feared loss of control and power, as well as foreign competition. Within a year, however, GDP had risen by 2 percent. A decade of economic transformation followed, at a pace comparable only to that of Japan. Deregulation and liberalization were responsible for the Spanish economic miracle.

THE 1970 PREFERENTIAL AGREEMENT WITH THE EEC

The series of mutual tariff concessions negotiated in the 1970 preferential agreement with the EEC resulted in a 30 percent reduction of Spanish tariff barriers on 80 percent of the industrial goods it imported from the EC. Initially many Spaniards believed this could destroy Spain's manufacturing base. From 1970 to 1977, however, the dollar value of Spanish exports to the EC increased by a factor of 4.2, while imports grew by a factor of 2.9.

The outcomes of these two experiences, Mr. Burns said, suggest that once again Spain has nothing to fear from tariff disarmament.

Spain is now in a third phase of opening its economic windows, a phase that is inherent in EC membership. Although Spain is a full member of the EEC, the transition process will go on until 1992, with the disarmament of tariffs taking place in stages. In 1986 tariffs were cut by 12.5 percent, the VAT (Value Added Tax) was introduced, and export subsidies were eliminated, all in compliance with EEC regulations.

Again there was fear that Spain could be flooded with imported European goods and its manufacturing base destroyed. And the $2 billion trade balance surplus of 1985 became a $1 billion deficit in 1986. However, the inflation rate came down to 8% from double digits in 1985, despite the inflationary effects of the VAT. GDP registered growth of 3.6%, up from 2.1% in 1985. Consumption rose by 3.7%, up from 1.8% in 1985. Domestic demand rose by 5.2%, twice the 1985 figure. Investment increased for the third consecutive year, with a 10.7% rise in 1986, in real terms. Registration of industrial vehicles increased by 21.7%. And total investment in machinery and capital equipment grew by 12% in 1986. These indicators show that the economy is well equipped with investments where investments ought to be. For a country which has just joined the EC, one could not ask for more.

As to what the future can hold, said Mr. Burns, Spain is the greatest untapped consumer market in Europe, with an enormous potential, a young population, a highly skilled labor force that is hard working and resilient, at a low cost. It is a nation prepared for change and receptive to new ideas.

"Prospects for business in Spain are very attractive."

KENT ALESSANDRO
Managing Director and General Manager, Chase Manhattan Bank España, S.A.

After summarizing the structure of the Spanish banking system, Mr. Alessandro addressed the recent changes affecting the commercial banking system. "Since 1970," he said, "regulators have liberalized the system, and since 1974 commercial banks have had to compete with other types of financial institutions. Because companies have easier access to capital, banks can no longer delay on intermediation and must develop the capacity to assist their companies in raising capital."

On deregulation: "Still, 47% of banks' founding base must be set aside in reserves, but regulators are in the process of abolishing or reducing many reserve coefficients.

"As a result of the regulatory environment, the Spanish banks' gross interest margin remains high by European standards (4.22% vs. 2.13% in West Germany). As deregulation continues and Spain opens up to the EEC, it will be necessary for banks to restructure their cost base, which remains the record largest in Europe because of the over-extended branch system."

Regarding foreign banks in Spain: "Their market share, as in France, was 1% in 1979, rising to 8.5% in 1983 and 10.5% in 1985. So far ten Spanish banks have been acquired, giving foreign banks a 17% stake in the system."

Chase Manhattan was one of the first foreign banks to operate in Spain, beginning in Madrid and later expanding to Barcelona. In 1985 it acquired Banco de Finanzas to gain access to domestic and merchant banking activities. Now it offers diversified services in five regions of Spain.

"Spanish engineers have a special ability for designing software applications tailored to the user's needs."

CHIAKI SUGISHIMA
President, Fujitsu-España

Fujitsu-España, the result of a merger between the old Fujitsu-España and SECOINSA, is a joint venture requested by Spain's Telefónica to cope with the demand for industrialization, especially in information processing, brought about by Spain's entry into the EC.

60 percent owned by Fujitsu and 40 percent by Telefónica, Fujitsu-España has assets worth $46 million and employs over 1,400 people. It is dedicated primarily to the development, sales and maintenance of large and small computers and office equipment. Spain's annual growth in this sector is 25 percent vs. 15 percent for Europe as a whole.

"Our experience indicates that the Spanish engineers possess a special ability for designing software applications strictly tailored for the user's needs," said Mr. Sugishima, who pointed out that the company's operations were handled by Spanish managers, particularly at the Málaga factory.

Presently, Mr. Sugishima serves as president, while the chairmanship is assigned to Mr. Adrian Piera, who is not involved in management but advises on matters concerning Spanish industry, government and business.

Other elements that have induced Fujitsu's investments in Spain, said Mr.Sugishima, include the fast evolution of the Spanish electronic sector, the geographic distribution of the Spanish electronic industry, industrial labor costs, and a comparison between the GNP growth of Spain and other industrialized nations.

Previously, he said, Spain had been dependent on pinpoints of electronic and information processing equipment, but Spain's government had made it an objective to eliminate this situation.

In 1983 the first National Electronic Plan was announced by the government, with a budget of $15 million, to stimulate new technologies, office automation, and artificial intelligence.

Recently the second plan was launched, with a budget of $238 million for 1987-1989. Fujitsu is using this plan to set its development program, Mr. Sugishima said.

"Telefónica was found to be an excellent partner."

MATTHEW W. SAGAL
Director of International Strategic Planning & Business Development
AT&T Technologies Systems

Mr. Sagal opened the second day of the Seminar by telling the story of AT&T's selection of Spain as the best market in which to locate their newest European semiconductor research and production facility.

Mr. Sagal, leader of the team that negotiated the joint venture with Spain's Telefónica, pointed out that AT&T's interest in Spain arose from the dramatic transition which the company had experienced recently.

That transition carried them from their traditional roots as a U.S. company developing and producing products for internal consumption to its place today as a multinational powerhouse developing and producing products for use by clients worldwide. It has also achieved global alliances with companies such as Philips and Olivetti.

The search which ended with the selection of Spain began with the recognition of a need for additional capacity in Europe in the early 1980s, Mr. Sagal said. The key criteria in that search were easy access to all European markets, a hospitable government, an appropriate partner, a work force of high potential, and a growing market.

Spain met these criteria, and in 1984 became a finalist, he said. The only remaining problem was limited infrastructure for supporting the semiconductor industry; but the problem was solved through an agreement between AT&T and the Spanish government not to set content requirements so that the company could use other, established European suppliers while helping to establish a local industry.

With all the obstacles removed, Spain was the winner and the Design Center opened in July 1986. Seven engineers have been hired and three more are training in the United States. There are already three Spanish customers.

AT&T is very happy, said Mr. Sagal, with its decision and with its experience in Spain to date.

"Spain is a very open and attractive country to the international business person."

FRANÇOIS GLEMET
Principal,
McKinsey & Co.-España

Spain is becoming an important target for international marketers, according to François Glemet of the management consulting firm of McKinsey & Co.

"As a market, Spain has a large consumer base, the fifth largest in the EC and the eighth in the OECD. Its population, one of the few in Europe that is still growing, is young, with a large percentage in the age brackets which have a high propensity for consumption."

The Spanish market, he said, is increasingly brand conscious. "Each sector has a set of very well known brands, some owned by multinationals, some domestic, with local brands losing out rapidly to national ones."

Spain's markets, Mr. Glemet said, are increasingly open to new product concepts and to products manufactured abroad. Finally he noted that there are radical changes in distribution channels.

"Spain is an attractive market for branded consumer products, and most multinationals have recognized this."

On the industrial side, he said, Spain could be seen as a market on an industrial platform. In industries where Spain has a natural advantage it is obvious that it will be considered a sound base for industrial operations, and a center for supplying the European market.

"Many successful Spanish brands are linked to companies which are small in size and not too well known in the general export markets. But these companies are taking serious measures to develop new products for the local market and to create networks abroad. So the foundations are really laid for cooperation and joint economic interest between Spain and the U.S.

On the importance of marketing, Mr. Glemet noted that Spain has grown increasingly sophisticated in all aspects, though the degree of sophistication varies with each industry. "There are considerable resources for market research in Spain," he said.

Perhaps Spain's most precious resource, said Mr. Glemet in summing up, is its human resource. "Spain, with its 2,000 years of history, has built a strong educational system. There are many graduate and undergraduate schools of business, engineering, economics and law. People travel abroad, they speak foreign languages, and they are hardworking and open to innovations."

"The fact that Spain would be in the EEC was a most important factor in our decision to invest there."

THOMAS ATKINSON
Vice President, General Motors Overseas Corp.; Senior Advisor International, General Motors Corp.

After a long history of involvement in Spain through its German subsidiary, Opel, General Motors in 1982 opened its own car plant there, which last year produced 307,000 cars.

22 percent of the cars the plant produces are sold inside Spain, where GM has a 15 percent share of the market. 78 percent are exported to other European markets.

"During the mid-70s," Thomas Atkinson told the conference, "it became clear that we were running out of capacity and that we were under-represented in the southern countries of Europe where we did not have smaller car lines.

"So in going into a place where we had no representation, it made more sense to go with a product which would be appropriate for the consumers of that country. Though many countries in Europe competed fiercely to be chosen, Spain was finally selected.

"We found that some of those countries were running out of manpower, and in addition we had the best offer of assistance from the Spanish government.

"Spain is now the seventh largest car maker in the world outside of North America. Its market last year experienced a 20 percent increase over the previous year, the largest rise in Europe, so it is well worthwhile to be in this market."

The GM spokesman did mention some areas of concern. "From the foreign exchange perspective, we are concerned that the peseta is not a member currency of the European monetary system, since so much of our operation depends on imports and exports. We are also concerned about the inflation rate and with labor legislation, because we have to deal simultaneously with four unions.

"Nevertheless, the workforce itself is of very high quality and is well trained. We are operating at full capacity with two shifts, and we are considering a third shift, which is very rare in this industry.

In the opinion of the executives of General Motors, the outlook for the auto industry will depend on Spanish domestic policy and Spain's relations with the EEC, which, Mr. Atkinson said, "are already well determined."

"In the U.S., rating agencies have assigned the highest available ratings to Spanish commercial paper."

PEDRO PABLO KUCZYNSKI
Managing Director,
The First Boston Corporation

Dr. Kuczynski opened his discussion by recalling the development of investment banking. Although dealmaking had existed for centuries, he said, the trend toward "securitized" borrowing (i.e. financing through tradable securities instead of loans) was catalyzed by the Latin American debt crisis, after which lenders would not accept regular debt financing. Between 1978 and 1980, he said, borrowing through syndicated loans amounted to $80 billion, while public securitization reached only $40 billion. In 1986, however, only $40 billion was borrowed through syndicated loans while public securitization jumped to $250 billion.

This change Dr. Kyczynski attributes to the dual purpose of investment banking: On one hand, it follows and reflects the development of the economy, which in the case of Spain is undergoing a "veritable renaissance." On the other hand, investment banking also assumes an active role in stimulating the economy. Spain has witnessed a significant growth of money management services, and although the stock market continues to grow it remains undervalued: demand for securities currently exceeds the existing supply. This demand mostly reflects an appetite for "made in Spain," and in this area foreign firms are still minor protagonists. Since 1986, however, legislation has greatly relaxed the limits on foreign investments by Spaniards. As a result, Spanish institutions are expected to become more important in the Eurobond market.

Regarding foreign investment in Spain, direct "non-portfolio" investment doubled from $2.5 billion in 1985 to $5 billion in 1986.

In contrast to other areas such as Latin America and Asia, Spain offers a variety of sources for production, industries, commercial, infrastructure and outlets.

Like other mature economies, Spain is seeing a major restructuring of all industries through mergers and acquisitions, which present excellent opportunities for both buyers and sellers. The government has put 150 companies up for sale, one third of which will probably appeal to foreign investors. A "supermarket scenario," as Dr. Kyczynski calls it, will give a major impetus to merger and aquisition activity. To these deals, investment banking brings technology, information and a methodology from experience.

As Spain looks abroad, it can expect to find reciprocally interesting opportunities. At this moment, Spain is already an important borrower inthe Eurobond markets, even though it has reduced its external debt through prepayment. In the U.S., rating agencies have assigned the highest ratings to Spanish commercial paper, paving the way for access to important long-term investors. Dr. Kyczynski therefore expects an increasingly aggressive presence of Spain in the international equity markets, an experience very beneficial to the country's economic development. This in turn will lead to the proliferation of domestic investment banking activity, with national accumulation and reinvestment of capital.

Overall prospects for the country's economy are very encouraging, he stressed. Real growth, for example, occurred despite the weaker dollar, which impaired Spanish exports to the U.S. This growth reflects the strong stimulus triggered by Spain's opening market. By 1992, however, he warned, the "catch-up" process will have stabilized and Spain will have to seek new stimuli to avoid situations already afflicting the rest of the EEC countries. At that time, however, the country will be on an equal footing to compete effectively within the EEC and will be one of Europe's prime protagonists.

"The Spanish capital markets will be considered with ever greater interest by foreign investors."

CESAR ALIERTA
Managing Director
Beta Capital

Mr. Alierta organized his presentation into three areas: A basic analysis of the Spanish economy, the sectors and the firms; an analysis of the transfer of funds within the system; and the integration of the Bolsa within the global securities market.

The economy's behavior and rate of growth in 1987 should follow the same pattern as in the last quarter of 1986, he said. This leads to expectations of real GDP growth of 3 percent to 3.2 percent because of the growth in private consumption and in gross capital formation.

There has been a significant decrease in the debt ratio of Spanish firms, Mr. Alierta said, which has positive effects on their profit and/or cash flow.

Regarding the Madrid Bolsa, and based on an index of 130 firms, Beta Capital estimates that the 1986 average price earnings ratio (PER) of 12.65 will come down to 10.29 for 1987. The significance of this ratio must be understood in relation to the strong tendency to reduce taxes through accelerated depreciation formulas. Therefore one should instead refer to the PER/CASH FLOW measure, the evaluation of which, according to our findings, is considerably more homogeneous if we consider its trend: 6.38 times in 1984; 5.06 times in 1985; and 4.53 times in 1986.

In our analysis of the transfer of funds within the system, we can look to the evaluation of the private sector's financial assets to estimate the medium-term behavior of the Bolsa.

In 1974, 6.399 billion pesetas were held by the private sector, while quoted shares amounted to 1.598 billion pesetas, representing 24.97% of total financial assets held by the public and 31.3% of GDP. In 1982

(CONTINUED ON PAGE 38)

PRINCIPAL TRANSFERS OF CAPITAL FROM THE U.S. TO SPANISH INDUSTRIAL FIRMS WITH CAPITAL STOCK IN EXCESS OF 50 MILLION PESETAS

(In billions of pesetas; current rate: 130 pesetas = $1.00)

INDUSTRY GROUPS	1983	1984	1985	1986
Automotive	9,333	124.6	2,640.5	—
Construction machinery	1,098	415.-	—	—
Manufacture of metal products	1,052	834.8	—	—
Chemical industry	1,704	1,074.6	220	1,386.-
Optical and precision instruments	1,163	—	—	—
Manufacture of computers and office automation machines	—	3,826.-	—	8,137.-
Non-metal mineral products industry	—	3,688.7	—	—
Manufacture of electronic equipment	900	—	—	—
Food industry	—	3,162.1	4,801.3	646.5
Manufacture of electrical machinery and parts	—	119.9	2,898.7	—
Paper industry	—	1,500.-	181.4	—
Manufacture of precision instruments	—	208.-	—	—
Shoe and clothing industries	—	503.-	1,013.5	—
Production and first transformation of metals	—	462.-	290.-	—
TOTAL	14,360	16,853.-	12,043.9	10,170.-

Source: Ministry of Industry and Energy

Investing in Spain: A Special Report

An Outline of Spain's New Foreign Investment Legislation

A BRIEF REVIEW OF THE PROVISIONS OF THE JUNE 1986 LAW

THE LEGAL situation regarding foreign investments in Spain has undergone significant reforms in the past year. Changes introduced with the new Foreign Investments Law, passed in June 1986, established a new and more liberal legal framework. These reforms were aimed at adapting Spain's legislation to prevailing EEC foreign investment regulations.

This article is divided into eight sections: The definition of foreign investors; the means of investment; the types of investment; basic legal procedures; repatriation of funds; miscellaneous regulations; special incentives and assistance programs; and useful addresses.

Since this article covers only the central aspects of the legal changes, we recommend that potential investors consult with experts on the consequences of the new Foreign Investments Law (Legislative Royal Decree 1265/1986 dated June 27) and its subsequent Regulation (Royal Decree 2077/86 dated September 21) before proceding with any investments in Spain.

INVESTORS.

Foreign investments may be carried out by:

Foreign private persons, whether natural (individuals, wherever their residence) or artificial (companies or legal entities other than individuals).

Artificial persons are considered resident in Spain provided that they are domiciled in Spain and registered with the Government's Registry of Commercial Concerns, regardless of whether or not they are incorporated abroad.

Investments carried out by foreign individuals will not cease to be considered foreign investments when the individual becomes a resident of Spain. Thereafter the foreign individual may only carry out foreign investments by means of external foreign capital.

Spaniards residing abroad. Spaniards are always deemed to be resident in Spain unless it is indicated that they are residing abroad. Investments carried out by non-resident Spaniards will cease to be considered foreign investments once the investors become residents of Spain.

Spanish companies with foreign participation in their capital, who may carry out foreign investments in Spain by means of domestic capital. Nonetheless, when investing in other Spanish companies, the percentage of capital that will be considered foreign will depend on the foreign participation in the original investing company, as is explained later.

MEANS OF INVESTMENT.

Foreign investment may be carried out by the following means:

Foreign capital:

Monetary contributions: These basically include the countervalue in Spanish pesetas of convertible currencies admitted for quotation in the Spanish foreign currency market (among which are to be found the U.S. dollar and other currencies legally tendered in the countries having major economic relevance in the world), as well as convertible pesetas (pesetas held in Spain by non-residents which may be transferred abroad).

Direct contribution to a company of capital equipment of foreign origin. The equipment is to be used by the company and its value is to be accepted by the fiscal authorities.

Direct contribution to a company of technical assistance, patents and foreign manufacturing licenses. This contribution requires previous control by the Administration of the contracts, as well as their appraisal by the appropriate agencies.

Other means, provided a previous authorization is granted.

Domestic capital ("ordinary pesetas"). Foreign investments may be carried out by means of ordinary pesetas, provided a previous authorization is granted

However, Spanish companies with foreign participation in their capital are allowed to invest in other Spanish companies by means of "ordinary pesetas."

TYPES OF INVESTMENT.

—**Participation in a Spanish company that exceeds 20% of its capital, by acquiring or issuing shares.** Investments in a Spanish company carried out by companies organized around a nucleus located in the parent company will be accounted for as if carried out by just one company.

—**The opening, acquisition or enlargement of branch offices** by foreign companies or developments undertaken by non-resident individuals.

—**The granting of loans to Spanish companies with periods of maturity of nine years or more,** in order to establish or to maintain lasting economic bonds.

—**Reinvestment of profits earned by the investor in order to maintain lasting economic bonds,** which may be carried out either by increasing the capital of the Spanish company receiving the investment so that its foreign participation exceeds 20%, or by increasing the net worth allowances of the branch offices and establishments of foreign companies.

The system applicable to direct investments is as follows:

—They are free if the foreign participation does not exceed 50% of the company's capital.

—They are subject to a verification process by the Government Office for Foreign Transactions (Dirección General de Transacciones Exteriores) if the foreign participation exceeds 50% of the company's capital.

In order to calculate the percentage of foreign investment in a Spanish company that has a participation of Spanish companies with foreign capital, the following rule must be applied:

Participation of foreign capital in the investing Spanish company	Computation as foreign investment
Over 50%	100%
Below or equal to 50% but above 25%	Proportional to the foreign interest in the investing company; 100% if foreign partners control the management of the company.
Below or equal to 25%	0%
When the Spanish Government by itself or through any of its autonomous organizations is participating in the Spanish company with foreign interests	0%

We want to emphasize that Spanish companies with foreign capital, as well as branch offices and premises established in Spain by foreign companies, are subject to the same conditions governing access to the domestic and foreign credit markets as Spanish companies.

Portfolio Investments. The new legislation considers as Portfolio Investments the following:

—Purchase of shares, subscriber rights and convertible bonds, whether or not they have been admitted to an official listing, as long as the purchase is not considered as a direct investment.

—Purchase of government securities, fixed-income private securiries, or investment fund securities.

—Stock exchange purchase of bills of exchange, promissory notes and other negotiable assets.

The above-mentioned purchases are free, provided they are carried out through the Stock Exchange.

Real Estate Investments. Fully liberalized, real estate investments require only a previous verification process by the Dirección General de Transacciones Exteriores when:

a) The foreign investor is an artificial person.

b) Foreign non-resident individuals invest in:

—Rural real estate;
—Urban land;
—Commercial premises; or
—More than three units in a building subject to the cooperative apartment system.

Two other features must be pointed out regarding this type of investment:

—There are limitations imposed on foreigners regarding the purchase of land of a national defense nature. A special authorization will be required for the purchase of land in strategic areas (basically coasts and islands) in all areas designated as being of national touristic interest.

—When a building is to be used for commercial purposes, the investment will be subject to the system previously described governing direct investment.

Investment in Special Sectors. The following sectors are governed by specific legislation:

—Gambling in its widest sense;
—Television;
—Radio;
—Air transport;
—Activities related to national defense.

Specific regulations governing these sectors require a special authorization by the Council of Ministers to carry out foreign investments in the sectors, and also establish quantitative limitations on the amounts of the investments.

BASIC PROCEDURES

Registration Procedures. All foreign investments, with certain exceptions, must be duly formalized in a deed authenticated by a Spanish public official (notary, stock broker or commercial broker), who will require the presentation of documents that certify the necessary authorization or verification.

In addition, in order to register the foreign investment, a declaration must be presented to the Registry of Foreign Investments in Spain of the Ministry of Economy and Finance (Ministerio de Economia y Hacienda), except for certain types of portfolio investments which are exempt from declaration.

This article was compiled with the assistance of:

CRISTINA ALCAIDE GUINDO, Dirección General de Transacciones Exteriores, Ministerio de Economia y Hacienda.

FERNANDO SANCHEZ RAU, Embassy of Spain, Washington, D.C.

ANTONIO VIÑAL, Antonio Viñal & Co., attorneys at law.

FEDERICO FRÜHBECK, Dr. Frühbeck, attorneys at law and economists.

The declaration should confirm that the investment was made with foreign capital.

Otherwise the corresponding administrative authorization must be obtained if the investor is not a Spanish company with foreign capital.

Once the foreign investment is entered and executed, collections and payments arising therefrom must be carried out through the delegated banking entity chosen by the investor. All Spanish banks fall under this category (and some, such as Banco Hispano Americano, Banco Central and Banco Español de Crédito have branch offices in the United States) as well as savings banks and major foreign banks operating in Spain (among which are the following banks of American origin: Citibank, First Interstate Bank of California, First National Bank of Chicago, Chase Manhattan Bank, and Morgan Guaranty Trust).

Procedure. The required authorization or verification must be applied for through the Dirección General de Transacciones Exteriores, which centralizes with economy, celerity and efficiency the jurisdiction over foreign investments and processes applications until specific cases are decided upon by the office itself or are turned over to the appropriate agency.

Applications must include the applicant's data and those of his representative, as well as a detailed explanation of the facts and reasons for the application. A decision will be taken with a 30-day period if there is a verification and a 60-day period if there is an authorization, unless the case is turned over to another administrative body with a say in the application being presented.

Should the Administration fail to arrive at a decision on verification of applications within 30 days, these will be deemed granted. Should it fail to arrive at a decision on authorization of applications, the interested party should report the delay after three months have elapsed; should the Administration persist in this attitude, the application will be deemed rejected; but in any case the Administration will not be released from its obligation to issue a decision on the matter.

(CONTINUED ON PAGE 34)

"Changes introduced with the new Foreign Investments Law, passed in June 1986, established a new and more liberal legal framework."

The procedure is fairly quick (the period for verification being normally shorter than ten days). The applicant is allowed to intervene on behalf of his application by staking a claim, by submission of evidence in some cases, and by arranging a hearing prior to the decision; third parties interested in the subject are even allowed to participate occasionally.

The applicant is entitled at all times to withdraw his application, thereby ending a procedure already started.

After the procedure is over and an authorization or verification is granted, the foreign investment must be carried out within the period established in the decision itself, or otherwise within six months, after which period the permit is deemed to have expired. This expiration may be voided by means of an application for extension, if granted.

REPATRIATION OF FUNDS.

Article 4 of the Foreign Investment Law reads that holders of foreign investments carried out by means of a foreign capital contribution have the right to transfer abroad with no quantitative limits:

1. The invested capital and the capital gains obtained through performed sales.
2. The profits and legally distributed dividends, including the income obtained through the sale of subscription rights of securities.

The law specifically states that, with regard to the exercise of this right, there is no quantitative limit and therefore, once the corresponding taxes are paid, the net profit can be transferred abroad, whatever the amount. Until the new law was passed, the administration did not authorize the transfer abroad of the profits which were thought to have been obtained through speculation. Presently the Administration can deny the transfer only if it is proved through a previous administrative inquiry that the profits and capital gains were obtained by contravening Spanish laws.

The transfer right can be exercised once the investment has been duly declared for inscription in the Foreign Investment Registry.

Finally, the law states that those persons who may be foreign investors in Spain and who have obtained the ownership of a foreign investment through inheritance, gifts mortis causa or acts of analogous nature, need a previous administrative authorization for:

- The transmission of the investment on behalf of another person who, according to the law, is considered able to carry out foreign investments.
- The transfer abroad of the profits earned through the investment.
- The transfer abroad of the capital acquired by the above mentioned means, and the product of its sale.

This authorization will not be necessary when the transferor was already considered a foreign investor and the investment was carried out by means of a monetary contribution from abroad.

SOME ADDITIONAL REMARKS.

The first final disposition of the Law states that all acts contrary to the Law are null and void, in relation to article 6 of the Preliminary Title of the Civil Code.

Legal Actions. The administrative resolutions dictated in application of the Law can be opposed by means of the procedures established under Administrative Law (Final Disposition No. 2).

Investments carried out by the "International Financial Corporation" and Foreign Governments. The "International Financial Corporation" may carry out investments in Spain in accordance with Act 2/62 dated January 25.

Governments and all foreign official bodies need a special authorization from the Council of Ministers for the performance of foreign investments. Authorization for investments in Spain granted to foreign private legal entities become null if the authorized legal entity is nationalized in its home country, except if the aforementioned special authorization is granted.

SPECIAL INCENTIVES AND GOVERNMENT ASSISTANCE PROGRAMS

This section outlines the main forms of assistance available from the Central Government. It should be noted that the autonomous Regional Governments also offer other forms of assistance and special incentives.

The industrial promotion policy in Spain is directed at a series of basic objectives, such as development and expansion of industrial sectors, regions, and small and medium size firms, as well as research and development, technology and the creation of new employment. Both domestic and foreign investors may benefit from the incentives offered under these programs.

The forms of government assistance available are classified in two types: financial and non-financial. The former includes direct incentives (subsidies, loans and financial participation in venture capital) and indirect incentives (tax benefits, credits, exemptions and deductions). A wide variety of non-financial assistance ranges from a series of services such as technical, management and financial advice, to other diverse incentives such as special hiring advantages, help in acquiring land for industrial use, schemes for company mergers, etc.

Regional Development Assistance. There are several different programs designed to encourage industrialization and development of specific regions and areas of the country. The most important ongoing programs concern the:

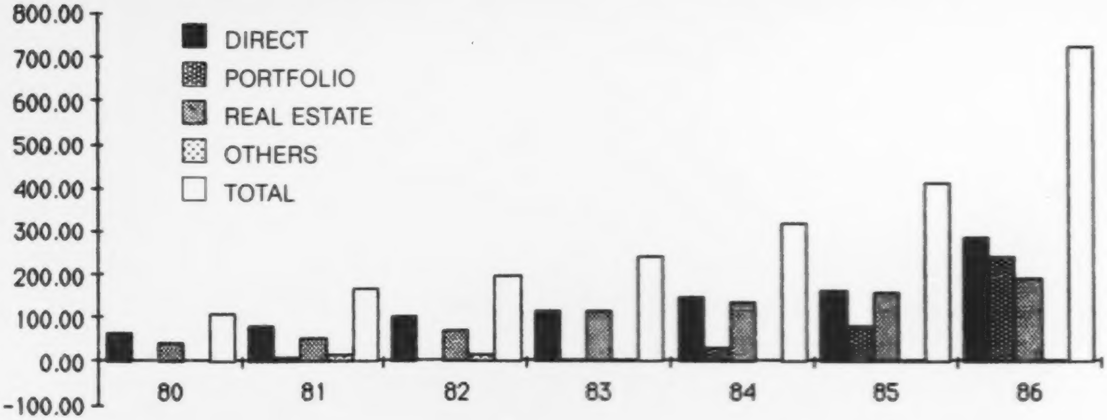
—**Large Areas of Industrial Expansion (GAEI)**, which aim to produce balanced industrial development over wide areas covering several provinces. The GAEI program is administered by the Ministry of Economy and Finance.

—**Zones of Urgent Reindustrialization (ZUR)**, which aim to revitalize zones affected by the restructuring measures taken in traditional industrial sectors. The ZUR program is administered by the Ministry of Industry and Energy.

—**National Tourist Centers**, which are locations considered suitable for development as tourist centers and where the Government assists and coordinates private development.

Industrial Sector Assistance. This form of assistance is designed to encourage the development of preferred industrial sectors and includes reduction of taxes, access to below market rate loans, free land, accelerated depreciation, credits on the cost of worker training, and assistance in securing permits. The

INVESTING IN SPAIN



Why "Everybody Wants It Made in Spain."

FINANCIAL TIMES, MARCH 1986

☐ **"THE RETURNS FROM EUROPE'S NEWLY AWAKENED SUNBELT HAVE BEEN STUNNING."**

FORTUNE, DECEMBER 1986

☐ **"SPAIN HAS TWO BIG ADVANTAGES: LOW LABOR COSTS AND A LARGE HOME MARKET. THAT IS A RARE COMBINATION IN THE EEC."**

FORTUNE, DECEMBER 1986

☐ **"THE MADRID STOCK EXCHANGE HAS JUMPED 84%, THE BIGGEST GAIN IN WESTERN EUROPE."**

FORTUNE, DECEMBER 1986

☐ **"SPAIN IS QUITE SIMPLY THE LAST SIGNIFICANT GROWTH MARKET IN EUROPE. . . IT IS ALSO A SPRINGBOARD TO THE REST OF EUROPE, TO NORTH AFRICA, AND TO LATIN AMERICA. . ."**

NEWSWEEK, JUNE 1986

FOR MORE INFORMATION ABOUT INVESTING IN SPAIN

COMMERCIAL OFFICE OF SPAIN - NEW YORK
INVESTMENT DEPARTMENT (212) 661-4959

405 LEXINGTON AVENUE, 41ST ST. NEW YORK, NY 10174

industrial sector assistance is administered by the Ministry of Industry and Energy and includes:

- —Electronics and data processing
- —Energy (renewable sources, hydrocarbon production, etc.)
- —Defense
- —Aeronautics
- —Automobile manufacturing
- —Capital equipment
- —New technologies (robotics, biotechnology, etc.)

As an example of the special conditions applicable to investments in these preferred sectors, worth mentioning is the recent deal made with AT&T for design and manufacture of custom integrated circuits in Spain.

Assistance from Public Companies.
—**Instituto Nacional de Industria (INI),** is the holding company embracing most of Spain's public companies. INI has more than 70 direct investments and 300 indirect investments in companies covering all sectors of the economy.

Its primary goal is the promotion of economically sound activities with medium and long term prospects. INI aims to attract foreign investment and new technology and can provide the foreign investor with direct access to the market offered by its companies and its established market overseas.

INI has an office in New York City.

—**Sociedades de Desarrollo Industrial (SODI)** are publicly owned limited liability industrial development companies whose main activity is to collaborate in the industrial development of specific regions and to foster private enterprise. These companies provide incentives and services such as capital participation, long-term loans and guarantees, consulting services, and legal and fiscal advice.

—**Empresa Nacional de Innovación S.A. (ENISA)** is a public company created under INI to promote innovative activities in markets and products with a promising future, and to develop new technologies. ENISA's activities are carried out through the creation of new joint venture companites together with private sector companies, or by providing venture capital to existing companies.

Assistance of Technological Innovation. The technological innovation policy of the Ministry of Industry and Energy is carried out through the **Centro para el Desarrollo Tecnologico Industrial (CDTI).** This is an autonomous body whose principal purpose is to identify and promote industrial exploitation of new technologies. It offers assistance and services to facilitate cooperation between companies and research and development centers, both foreign and domestic.

Export Assistance. Exporting companies are entitled to export credits under special programs for export promotion of Spanish products.

ADDITIONAL INFORMATION

Copies of applicable legislation can be obtained from the Commercial Offices of the Government of Spain in Chicago, Los Angeles, Miami, New York and Washington.

Any specific project can also be forwarded to the **Spain-USA Chamber of Commerce** in New York.

Useful Addresses:

Spain-U.S.A. Chamber of Commerce
Business Development Desk
350 Fifth Avenue, Suite 3514
New York, NY 10118

Secretaria de Estado de Economía
Subdirección Gral. de Acción Territorial
Paseo de la Castellana, 160
28046 Madrid
Tel.: (341) 259-4701
Telex: (831) 27701 POLCO

Ministerio de Economía y Hacienda
Dirección Gral. Transacciones Exteriores
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28046 Madrid
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Telex: (831) 27701 POLCO

Ministerio de Industria y Energía
Secretaria General Técnica
Paseo de la Castellana, 160
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Tel.: (341) 259-6148
Telex: (831) 44204 MISCE

Empresa Nacional de Innovación S.A. (ENISA)
Plaza Marqués de Salamanca, 8
28006 Madrid
Tel.: (341) 252-5022
Telex: (831) 22213 INI E

Centro para Desarrollo Tecnologico Industrial
Paseo de la Castellana, 141
28046 Madrid
Tel.: (341) 270-2775
Telex: (831) 23121 CDTI

Instituto Pequeña y Mediana Empresa Industrial
Paseo de la Castellana, 141
28046 Madrid
Tel.: (341) 450-8048
Telex: (831) 44204 MISC

Commercial Office of Spain
2558 Massachusetts Avenue, N.W.
Washington, D.C. 20008
Tel.: (202) 265-8600
Telex: 64226 OFCOMES

Commercial Office of Spain
405 Lexington Avenue, 41st Floor
New York, NY 10174-0331
Tel.: (212) 661-4959
Telex: 421173 OFCOMES

Instituto Nacional de Industria (INI)
1155 Avenue of the Americas, 28th floor
New York, NY 10036
Tel.: (212) 764-0550
Telex: 4972526 INI

THE EUROPEAN COMMUNITY: 1986 FIGURES AND 1987 FORECAST

				G.D.P. 1986			G.D.P. 1987 (forecast)		
Country	Area (Sq. miles)	Population (thousands)	Density (persons per square mile)	US$ Billions (at average exch. rate)	Increase 86/85 (constant prices)	$ per capita	US$ Billions	Increase 87/86 (constant prices)	$ per capita
Belgium	11,779	9,855	836	104.9	2.2%	10,644	106.2	1.3%	10,776
Denmark	16,633	5,118	307	76.9	3.4%	15,025	76.5	- .5%	14,947
Federal Republic of Germany	95,975	60,936	635	837.8	2.5%	13,748	854.5	2.0%	14,022
France	210,040	55,401	263	666.4	2.3%	12,028	678.3	1.8%	12,243
Greece	50,962	10,008	196	35.8	.4%	3,577	35.7	- .1%	3,567
Ireland	27,137	3,581	131	25.2	1.2%	7,037	25.7	2.2%	7,176
Italy	116,303	57,114	491	480.8	2.7%	8,418	496.1	3.2%	8,686
Luxembourg	1,034	366	353	4.8	2.4%	13,114	4.9	2.1%	13,387
Netherlands	16,464	14,586	886	160.6	1.9%	11,010	163.1	1.6%	11,181
Portugal	36,390	10,256	282	27.2	4.2%	2,652	28.1	3.5%	2,739
Spain	195,988	38,818	198	221.5	2.7%	5,706	227.0	2.5%	5,847
United Kingdom	94,222	56,597	600	543.8	2.4%	9,608	559.5	2.9%	9,885
EEC	**872,927**	**322,636**	**369**	**3,185.7**	**2.3%**	**9,873**	**3,255.6**	**1.8%**	**10,090**

Investing in Spain: A Special Report

Prepared by THE COMMERCIAL OFFICE OF SPAIN IN NEW YORK

Investing in Spain: A Case Study

TAKING ADVANTAGE OF SPAIN'S INVESTMENT INCENTIVES: A HYPOTHETICAL CASE

Our major objective in writing this paper is to illustrate how the different investment incentives operate in Spain. Although we will focus primarily on incentives, we must emphasize that Spain offers the foreign investor other advantages that are even more important:

—A social and economic system which is fully integrated in Europe.

—A favorable legal framework for foreign investments.

—Low taxation.

—A competitive advantage in labor costs.

In summary, we believe the reason behind the rapid increase in the flow of foreign capital into Spain is that Spain is a modern European country which welcomes foreign investment and which offers a cost-efficient way to access the EEC market.

Spain's investment incentives fall into three categories:

General: Granted regardless of the industry or region involved.

Industrial: Incentives that benefit specific industries in crisis or in reconversion.

Regional: Incentives granted for investments in areas which are less developed or most affected by the industrial crisis.

The general concept is to give priority to investments that create jobs, focus on specific regions, or bring in modern technology.

The main incentive instruments are usually tax credits, subsidies, and reductions in social security costs.

Investing in a ZUR region: The ZUR's (Zones of Urgent Reindustrialization) are those areas that, because of their concentration of industries in crisis, receive preferential treatment to attract new investment. Specifically, up to 30 percent of the fixed capital investment. In the case of the study on this page, we have assumed that the subsidy obtained is 25 percent.

(CONTINUED ON PAGE 38)

CHARACTERISTICS OF THE INVESTMENT

(figures in thousands of U.S. dollars)

YEAR	1	2	3	4
Investment in Fixed Assets (cumulative figures)	$2500	3000	3300	3500
Work force (cumulative figures)	40	60	80	85
INCOME SCENARIOS:				
Scenario 1: Pretax income	-150	50	250	450
Scenario 2: Pretax income	0	200	400	600
SUBSIDIES:				
Investment in a ZUR (Zone of Urgent Reindustrialization) area:				
25% new investment in fixed assets	625	125	75	50
Job creation: $8500 per new job	340	170	170	42.5
Total	**965**	**295**	**245**	**92.5**
FISCAL INCENTIVES:				
TAX CREDITS:				
Investment in fixed assets:				
15% new fixed asset investment	375	75	45	30
Job creation: $3,850 per new job	154	77	77	19.25
Case 1 *(Income scenario 1 above)*				
Net income before taxes	-150	50	250	450
Net taxable income	-150	-100	150	450
Tax rate	35.0%	35.0%	35.0%	35.0%
Tax quota	0.00	0.00	52.50	157.50
LESS:				
Tax credit on new fixed asset investment (generated)	-375	-75	-45	-30
Tax credit on job creation (generated)	-154	-77	-77	-19.25
Tax credit on new fixed asset investment (applied)	0.00	0.00	-13.13	-39.38
Tax credit on job creation (applied)	0.00	0.00	-39.38	-118.13
Tax payable	**0.00**	**0.00**	**0.00**	**0.00**
Tax credit to carry forward	**-529**	**-681**	**-750**	**-642.25**
Case 2 *(Income scenario 2 above)*				
Net income before taxes	0	200	400	600
Net taxable income	0	200	400	600
Tax rate	35.0%	35.0%	35.0%	35.0%
Tax quota	0.00	70	140	210
LESS:				
Tax credit on new fixed asset investment (generated)	-375	-75	-45	-30
Tax credit on job creation (generated)	-154	-77	-77	-19.25
Tax credit on new fixed asset investment (applied)	0.00	-17.50	-35	-52.50
Tax credit on job creation (applied)	0.00	-52.50	-105	-157.50
Tax payable	**0.00**	**0.00**	**0.00**	**0.00**
Tax credit to carry forward	**-529**	**-611**	**-593**	**-423.25**

A CASE STUDY

(CONTINUED FROM PAGE 37)

Creating new employment. There are a great variety of programs that promote the hiring of unemployed workers. Assistance is given in several ways, but in short we can say that the maximum subsidy per worker per year is 2 million pesetas. In our example, we have assumed an average of $8,500 per worker.

Other subsidies:

- —Up to 100% of the cost of feasibility studies;
- —Subsidies in interest rates on credits;
- —Subsidies in research and development.

Investment in fixed assets: A flat 15 percent tax credit is granted in the corporate income tax for investments in new fixed assets. The amount of tax credit is limited to 25 percent of the tax quota. The excess may be carried forward and applied to the four following years.

Job creation: For each man/year of average increase in the labor force, a tax credit ot 500,000 pesetas (about $3,850). There is no ceiling. The excess, if any, can be carried forward for four years.

Special depreciation plans.

Local taxes and fiscal license tax relief: Up to 95%; a 99% deduction on the construction license tax.

Reduction of Social Security costs: There are different programs for reduction of Social Security contributions, depending on the type of contract for the newly-hired workers. The reductions may amount to as much as 100% of the employer's portion.

Other Incentives

Preferential loans.

Provision of temporary risk capital.

Technical assistance.

Export incentives.

EEC incentive programs.

Besides the incentives mentioned above, Spain's entry into the EEC makes it possible for Spanish firms to participate in the EEC's aid programs.

The Commercial Office of Spain would like to acknowledge and thank **José Encinas,** Executive Director, INEXPORT, and **Pedro Castro,** Mayor of the City of Getafe, Madrid.

THE SEMINAR: CESAR ALIERTA

(CONTINUED FROM PAGE 31)

quoted shares represented only 5% of total financial assets and 4.9% of GDP. At present, the volume of quoted shares held by the public amounts to 4.311 billion pesetas, or 12.19% of the private sector's financial assets and 14.3% of GDP.

The evolution of the General Index in recent years as a measure of the increase in the specific weight of the Bolsa in the private sector's financial assets is due more to an increase in capitalization than to the massive presence of private investors.

Confidence in the evolution of the Bolsa is closely related to the increase in both corporate profits and the purchasing power of household incomes; as confidence rises, quoted shares, as a percentage of total financial assets, will increase.

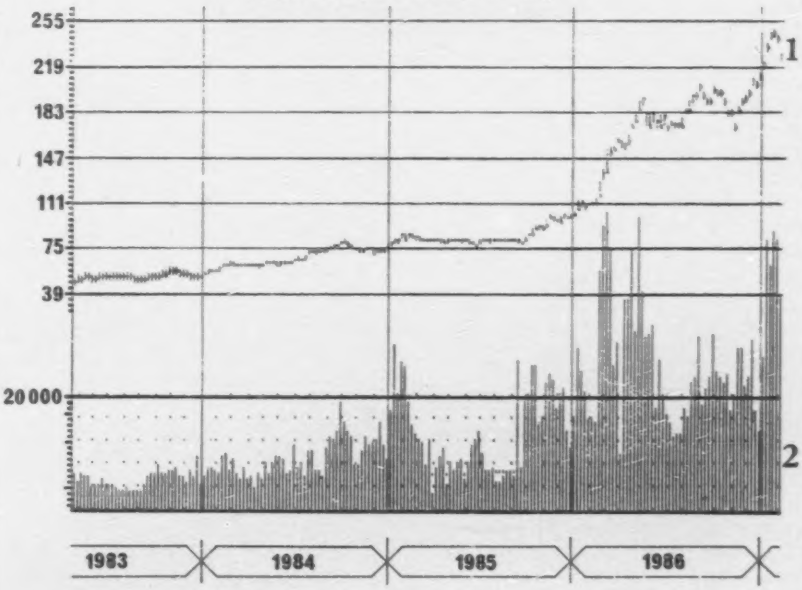
A return to the situation of 1974, when 25% of total financial assets were held by the public, is highly unlikely for Spain but not for other European markets. A gradual increase in the demand for securities does seem probable considering the introduction and growth of pension funds, investment funds, etc., but their effect on the market should not be overestimated. Although this increase in demand for securities always, in principle, contributes positively to the growth of the General Index, it also brings to the Bolsa a major uncertainty factor which may translate into an excess of demand over the existing supply of securities. The introduction of new securities, investment in foreign markets, and the efficiency of the market can reduce this risk factor.

The third favorable aspect of the Bolsa's evolution is the ongoing process of integration into the global network. This process, which began some years ago with the Bolsa's relatively low prices and the economy's high growth capacity, accelerated in 1985 with Spain's entry into the EEC, the introduction of the pension fund system, the downward trend of interest rates, the increasing stability of our currency, and the increasing accuracy of information supplied by Spanish firms.

In my opinion, this last factor has contributed decisively to make Spain lose the aspect of a marginal country and its Bolsa gain specific weight in the European and world markets. Furthermore, as the learning process continues, and for economic reasons already mentioned, the Spanish capital markets will be considered with ever greater interest by foreign investors.

MADRID SHARE PRICES INDEX

(Base: December 31, 1986 = 100)



1: General Index
2: Daily turnover (Millions of shares)

Source: Bolsa de Madrid
Quoted from *Spanish Trends*

Investing in Spain: A Special Report

Economic Liberalization Sweeps Spain

"LIBERALIZATION WILL BE A COMPONENT OF SPANISH INTEGRATION NOT ONLY INTO THE EEC BUT INTO THE GLOBAL ECONOMY..."

By JUAN PRIETO-CASTRO

THE OIL CRISIS OF 1973 ENDED Spain's "Miracle Decade" during which the aggregate growth of Spanish industry exceeded 10 percent per year and when gross capital formation increased at an average annual rate of almost 11 percent—twice the OECD average in both respects. The "oil shock" was especially hard felt in Spain, which depended on imported oil to meet 68 percent of its energy requirements (oil then accounted for roughly 40 percent of the EEC's energy needs). Industries such as shipbuilding, iron and steel, textiles, and automotive, which had grown rapidly during the '60s and exerted considerable weight in the economy, were severely punished.

The oil shock triggered a process of "de-industrialization" during which the industrial sector's contribution to GDP and job creation began a downward trend. The decade following the oil shock saw a net loss of 1.2 million industrial jobs.

The death of Generalissimo Franco in 1975 provoked a political crisis. The new government focused its attention and efforts on insuring a smooth transition to democracy and left economic issues to second place on the list of priorities.

In 1978, with the democratization process solidly on course, the government of Adolfo Suárez turned its attention to the economic front and adopted a series of emergency measures designed to relieve those industries and companies that were afflicted with severe financial and labor problems. Unfortunately, these measures had neither clearly defined objectives nor a coherent long-term plan.

In 1980 a more strategic policy was devised and implemented. The policy of "Reconversion," aimed at reducing excess capacity and placing firms on a solid financial footing, established the groundwork for more encompassing economic policies in the future.

Since 1982 the economic policy of the González government has had the objective of redressing the basic imbalances of the Spanish economy, on the hypothesis that sustained growth and higher employment would not be possible without a dramatic overhaul of the economic apparatus. Obsolete plants were closed down, the labor force was pruned, and new product lines were sought. The two-pronged approach of "picking the winners and saving the losers" was also followed to some degree. Gradually the Reconversion process turned to encouraging competitiveness; the Administration budgeted a substantial quantity of public resources and funds and made them available to companies with viable projects for the modernization of plant and equipment.

An array of companies of all sizes followed suit and restructured their operations accordingly, in anticipation of increased foreign competition upon Spain's entry into the EEC. During the years of the "Saneamiento" or Streamlining (1983-1985), the financial situation of both private and state-owned firms improved markedly on account of the redistribution of national income, the investment promotion policies, the imposition of ceilings on wages, and the reduction of interest rates.

Spain has overcome an economic crisis and both the Adminiministration and the business community are aware of it. Spain has come of age and a mood of renewed confidence prevails. The current situation is marked by the relative robustness of the global economy, the healthy current account configuration, the decreasing rate of inflation, the low price of oil, and the improved financial situation of enterprises.

Most representative of the times, however, is the current wave of economic liberalization that is sweeping the country and doing away with the barriers and controls which have protected and isolated Spanish industry for nearly half a century. Liberalization means that foreign investments may be made in more areas and more freely. It also means that the foreign investor may now take advantage of all the available investment incentive and assistance programs.

The liberalization of the Spanish economy and the manner in which it is being carried out are in response to a particular set of circumstances, the first and foremost of which is the EEC's requirement of free movement of goods, capital and labor within its common borders. Capital transfers, or payments made for investment purposes, are a legal right and an inevitable consequence of economic ties within a community of nations. The second is the Administration's conviction that liberalization provides a vehicle for real and sustained economic growth and development, partly because past experiences of liberalization have proven beneficial to the Spanish economy. Although with more areas open to foreign investment more Spanish companies are more directly exposed to foreign competition, the Administration equates the establishment of foreign companies in Spain with industrial modernization, especially when these companies are in the area of new and high-tech products. More foreign investment entails more new jobs and more transfers of technology, know-how and manage-

(CONTINUED ON PAGE 46)

JUAN PRIETO CASTRO is currently Manager of Business Development of the Spain-USA Chamber of Commerce.

SPAIN IN FIGURES

Courtesy of "SPANISH TRENDS"

DEMAND AND OUTPUT	YEAR	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
Industrial Production	1985	142.6	136.1	142.8	135.5	144.9	134.1	142.7	83,8	140.7	157,7	148,6	137,7
Index (1972 = 100)	1986	142.5	140.1	139.5	150.5	145.3	147.8	149.3	79.3	147.2	159.9		
Expected Production	1985	10	10	10	10	–9	–14	–5	20	3	–12	–7	4
(Net Answers)	1986	10	12	11	6	–3	–11	–8	20	1			
Electricity Consumption	1986	10,732	9,916	9,399	10,331	8,504	8,865	9,517	7,844	9,100	9,127	9,980	10,650
(Millions of Kwh)	1987	11,213											
Cement Consumption	1985	1,022	1,179	1,303	1,342	1,506	1,343	1,522	1,389	1,478	1,663	1,421	1,376
(Thousand Tons)	1986	1,206	1,251	1,351	1,659	1,578	1,647	1,708	1,445	1,642	1,743		
Car Registrations	1985	46,744	37,549	54,185	51,643	43,781	42,720	66,489	33,391	32,927	57,521	49,047	59,054
(Thousands)	1986	29,324	41,089	55,732	52,388	59,408	67,537	82,716	44,394	45,734	71,291	49,000	45,387
LABOUR AND EMPLOYMENT													
Employment	1985	–	–	10,537	–	–	10,515	–	–	10,602	–	–	10,629
(Thousands)	1986	–	–	10,665	–	–	10,779	–	–	10,887			
Unemployment	1985	–	–	2,981	–	–	2,953	–	–	2,949	–	–	3,000
(Thousands)	1986	–	–	3,037	–	–	2,950	–	–	2,913			
PRICES AND WAGES													
Consumer Prices	1985	344.0	346.4	348.7	352.4	353.5	352.9	354.9	355.5	359.3	361.0	363.9	365.7
(1976 = 100)	1986	375.4	377.4	378.4	379,7	380.8	384.2	388.0	389.3	393.5	395.1	394.3	395.9
Hourly Earnings	1985	168.9	171.8	173.4	179.2	180.1	183.3	182.1	179.8	176.6	176.6	179.2	181.4
(Jan 1981 = 100)	1986	186.5	189.7	195.5	196.2	199.4	197.4	200.3	199.4	197.1	196.8	198.4	
FOREIGN SECTOR													
Exports, fob	1985	1,826	1,733	1,825	1,787	2,212	1,757	2,218	1,623	2,526	2,353	2,298	2,952
(US$ Millions)	1986	1,714	2,208	2,120	2,484	2,182	2,364	2,606	1,505	1,954	2,694	2,561	2,788
Imports, cif	1985	2,454	2,227	2,185	2,537	2,659	2,372	2,338	2,109	2,208	2,709	2,594	3,557
(US$ Millions)	1986	2,156	2,550	2,619	2,901	2,750	3,218	3,321	2,080	2,871	3,822	3,251	3,415
Current Balance	1985	–46	90	–332	–193	211	8	375	806	548	261	203	–345
(US$ Millions)	1986	370	355	325	350	412	106	1,014	609	960	710	217	260
International Reserves	1985	16,280	16,048	15,617	14,841	15,208	15,774	15,015	15,377	16,127	15,774	15,276	14,484
(US$ Millions)	1986	15,052	15,260	15,196	14,882	15,256	15,109	16,143	17,329	17,678	18,122	18,193	17,313
External Debt	1985	–	–	29,163	–	–	27,913	–	–	28,914	–	–	28,140
(US$ Millions)	1986	–	–	27,401	–	–	25,922	–	–	25,355			
Exchange Rate	1986	150.4	140.1	147.5	139.1	147.5	142.1	136.2	134.5	134.6	138,6	133,7	133,3
Pta. per US$	1987	128.8											
Effective Exchange Rate	1986	68.13	69.35	68.30	69,08	67.06	68.59	69.73	69.37	69.35	68.24	68.64	68,73
(1980 Average = 100)	1987	67.17											
FINANCE													
Private Sector Credit	1985	16,879	16,871	16,953	17,153	17,193	17,399	17,650	17,410	17,440	17,785	17,913	18,292
(Pta. Billions)	1986	18,147	18,126	18,343	18,635	18,720	18,917	19,333	19,080	19,186	19,212	19,516	
Money (M4)	1986	25,693	25,806	26,148	26,395	26,511	26,919	27,294	27,222	27,422	27,611	27,610	28,326
(Pta. Billions)													
Overnight Rates	1986	8.4	10.5	11.2	11.9	11.8	12.0	11.7	11.5	11.2	11.3	11.3	11.8
(Percent p.a.)	1987	12.2											
Stock Market Index	1986	109.8	129.5	160.0	180.4	183.0	172.2	174.8	195.9	197.9	183.0	191.5	208,3
(Dec. 31, 1985 = 100)	1987	245.1											
GOVERNMENT													
Revenue	1985	204	694	216	582	178	405	739	249	370	606	328	303
(Pta. Billions)	1986	697	254	198	827	321	397	1,049	285	384	698		
Expenditure	1985	607	588	538	469	464	639	679	572	438	464	512	540
(Pta. Billions)	1986	623	714	402	746	452	602	825	617	701	594		
Surplus/Deficit	1985	–403	106	–322	112	–286	–235	61	–323	–69	142	–184	–236
(Pta. Billions)	1986	74	–460	–204	–81	–136	–205	224	–333	–318	105		

Investing in Spain: A Special Report

Highlights of the Spanish Economy

"THE REFORM PROGRAM INITIATED IN 1983 HAS LED TO A REMARKABLE RECOVERY OF THE SPANISH ECONOMY."

By ELISABETH K. RABITSCH

THE KINGDOM OF SPAIN, with a land area of 196,000 square miles, is the second largest European country (after France). The country's population of 39 million people represents a large and growing market, domestically and within the European Community (EC).

Spain joined the EC as a full member on January 1, 1986. Under the Treaty of Accession, Spain's entry into the European Customs Union will result eventually in the total elimination of customs duties. However, a transitional period of seven years has been provided to achieve full integration, and for easing the economic adjustment problems connected with adopting a common customs tariff. Some Treaty provisions affecting Spanish agricultural exports to other EC countries will probably become the subject of renegotiation. Undoubtedly, Spain's entry into the EC will lead to a widespread and enduring transformation of the economy, with growing benefits to the country and its population.

In its first year of membership Spain's share of trade with the EC already recorded a significant increase. In 1986, over 60 percent of Spain's exports went to the EC, while the share of Spain's imports from EC countries rose to nearly 50 percent. Besides the European Community the United States is Spain's most important single trading partner, accounting in 1986 for 9.5 percent of Spain's exports and almost 10 percent of its imports.

The year 1986 brought not only Spain's accession to the EC but also a number of other political and economic developments of great importance. In March, a national referendum decided in favor of Spain remaining a member of the North Atlantic Treaty Organization (NATO). Spain had formally joined NATO in May 1982, then becoming the organization's sixth member state.

In June, the Spanish Socialist Workers' Party (PSOE), under the leadership of Prime Minister Felipe González, was reelected after having been in office for four years and maintaining a parliamentary majority. The reform program initiated in 1983 by the González government has led to a remarkable recovery of the Spanish economy. The implementation of the program was aided by changes in the world economic environment that proved highly favorable for Spain. As part of the reform program, a major restructuring of the industrial sector has been undertaken to make Spain's basic industries economically viable and internationally competitive. The steel, shipbuilding and coal mining sectors, as well as state-owned automobile manufacturing, were the primary targets for restructuring.

In addition to restructuring, and in some cases privatization of existing industries, a number of new high-technology enterprises were successfully established. Several initiatives have been introduced with the aim of bringing new investment to Spain. among them the recent investment incentives and industrial assistance programs and the liberalization of the investment structure.

ELISABETH K. RABITSCH is a senior international economist with First Boston International, a division of The First Boston Corporation, in New York. She joined First Boston in March 1980. Prior to that she held senior economic research positions in commercial banking and with a large multi-national petrochemical company.

Ms. Rabitsch has a doctorate in economic science from the University of Vienna, Austria, and continued her studies in the United States at Harvard University as a visiting fellow for advanced research in economics. She has published several papers on economic forecasting, country analysis, and the external debt problem of the developing countries. In 1974/75 she served as a member of the United States Chamber of Commerce Task Force on World Material Shortages. She is a member of the American Economic Association.

Another important factor in attracting industrial investment to Spain is the availability of a highly skilled, motivated and experienced labor force at comparatively low cost.

In the forefront of the new high-technology ventures are U.S. corporations such as AT&T, Pacific Telesis and Corning Glass. More than 350 American companies are now operating in Spain, and the United States at present is the largest single source of direct foreign investment in the country. In total, the inflow of foreign investment into Spain amounted to US$3 billion in 1985, and reached close to $5 billion last year.

1986 has also been the year in which the Spanish economy displayed a remarkable resilience, in view of the partial integration into the European Economic Community, and put in a record performance.

On the domestic side, total output of goods and services, measured in real terms, increased by over 3 percent, or at a rate higher than the average of the European industrial countries. Inflation has been gradually reduced from 14.4 percent in 1982 to an annual rate of 8.3 percent in 1986, despite the temporary inflationary impact of the value added tax (VAT) introduced at the time of the country's entry into the EC. Continued restraint exercised in wage awards has eased the upward pressure on prices. The government in 1987 aims at further reducing inflation to the 5 percent annual rate level, in order to bring Spain closer in line with the inflation rates of the main trading partners in the EC. Interest rates, in general, have continued to decline in 1986 from previous years, and are likely to decline further given the lowering of the inflation rate and the firmer control exercised over public sector expenditures.

The most remarkable improvements were achieved in the external sector. The large deficits on current account of the balance of payments incurred from 1980 to 1983 were replaced by substantial surpluses. The latter amounted to US$1.1 billion and $1.6 billion in 1984 and 1985 respectively. In 1986 the current account surplus rose to almost $5 billion (on a cash basis). The trade deficit remained at about the 1985 level (close to $6 billion), reflecting substantial savings on oil imports that were sufficient to cover larger deficits incurred in merchandise trade with the EC countries during the first year of Spain's membership.

However, the net income from services increased substantially. In particular the country's tourist trade had an outstanding year, with a total of 47 million visitors. Almost 30 million people extended their visits beyond 24 hours (thus being considered "genuine" tourists) to enjoy the hospitality and excellent facilities the country's tourist industry can offer. Revenues from tourism increased by 48 percent from the year before, to reach a record US$12.1 billion.

The external accounts also benefited from the decline in interest rates charged in international capital markets, which reduced the debt service payments due on Spain's external debt. In addition, net transfers of funds from abroad brought close to $1 billion into the country. These transfers consist in part of workers' and emigrants' remittances from other countries, mostly from the EC.

As a consequence of the highly favorable developments in the external economic position, the Bank of Spain's international reserve holdings (including gold reserves) increased by almost $3 billion, from $14.5 billion to $17.3 billion at year-end 1985 and 1986 respectively. Simultaneously, the country's outstanding external debt was reduced from $28.6 billion at year-end 1985 to $24.5 billion a year later, partly through early retirement and prepayment of public sector external obligations.

The economy's performance was reflected in the buoyancy of the stock market: on the Madrid stock exchange the composite price index in 1986 registered an increase of over 100 percent, the biggest by far of any country in Western Europe.

The prospects for 1987 and beyond remain favorable. The trade deficit is likely to increase in 1987, partly because of the peseta's recent strength in terms of the U.S. dollar (from Ptas. 172 at year-end 1984 to Ptras. 135 a year-end 1986 and to Ptas. 128 in early April 1987), and partly because of higher oil import prices. However, net revenues from the service industries should show further gains. Tourism should have another record year, although increases in 1987 cannot be expected to be as spectacular as they were in 1986. The current accounts are projected to show again a comfortable surplus in the area of $4 billion.

As for merchandise imports, Spain is on the way to becoming one of Europe's fastest growing markets for manufactured goods of high technology content, such as mini-computers, advanced communications equipment, etc. Foreign manufacturers, from Japan and other industrial countries, will try to gain direct access to this large and growing market through investment in Spanish manufacturing facilities.

Overall growth of the economy in 1987 is likely to exceed 3 percent, and growth may well accelerate in the final years of this decade. Economic expansion is now also leading to the creation of new jobs (probably over 100,000 this year). Still, unemployment remains high; it has marred the otherwise positive results of the government's economic reform program. The high unemployment rate, together with ceilings imposed on wage awards below the average inflation rate, has led to a deterioration in government and labor union relations and to recent outbreaks of labor unrest.

The Summer Olympic Games to be held in Barcelona and the World Trade Fair scheduled for Seville, both in the 1992 anniversary year, will require major investments in infrastructure and in appropriate facilities for sports events and exhibitions. Visitors from all over the world will come to Spain and have the opportunity to witness for themselves the tremendous economic progress that has been achieved in the country. □

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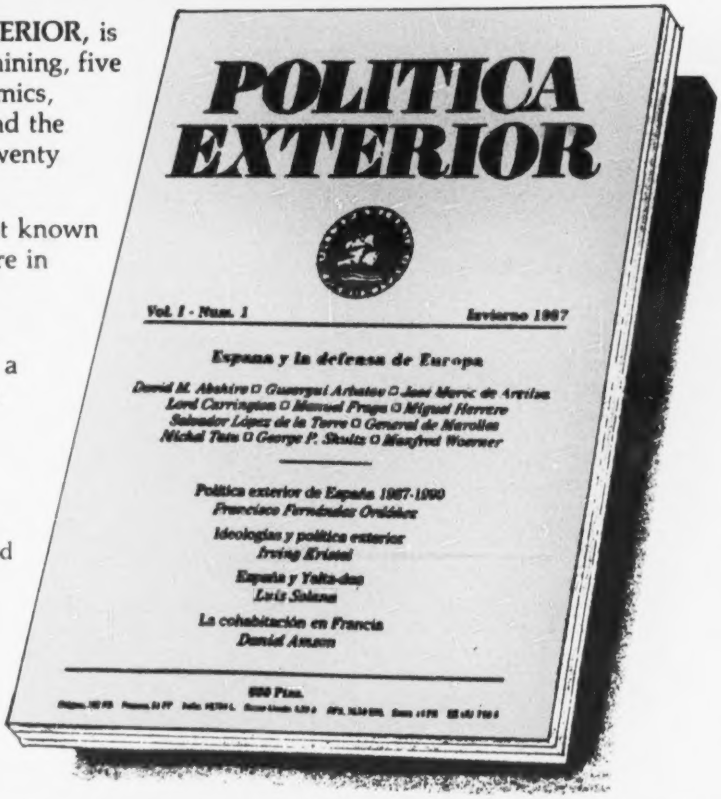

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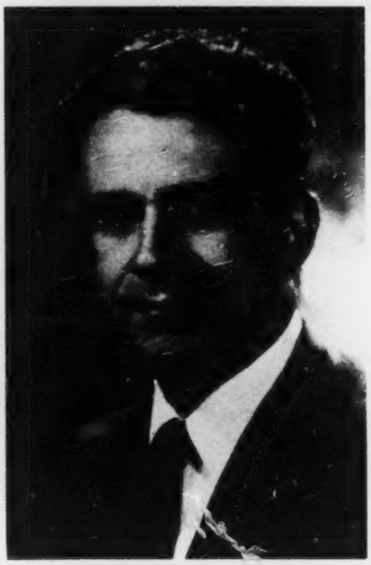
INVESTMENT

The EEC and Spanish Investment Abroad

UNDER THE NEW LAW, SPANISH RESIDENTS CAN NOW MAKE PORTFOLIO INVESTMENTS ABROAD



By BERNARDO M. CREMADES

LIKE THE LEGISLATION concerning foreign investment in Spain, the new law regarding Spanish investment abroad defines who is covered by its provisions, defines the type of capital contributions that can be made, classifies investments as direct, portfolio, real estate or other, and maintains a verification requirement for certain investments that can lead to withdrawal of general authority. However, this new law represents a more dramatic change than the law regarding foreign investments in Spain, given the previous general inability of Spanish investors to diversify their portfolios with foreign investments.

The new law continues to grant general authority to Spanish residents, including foreigners resident in Spain and branches or business establishments of foreigners located in Spain, to make direct investments abroad, subject to prior verification by the government. This general authority does not, however, apply to investments in real estate companies or investment companies. As with direct investments by foreigners in Spain, the verification process is a "negative clearance procedure," in that the government's failure to make any response within thirty working days clears the proposed investment, which generally must be realized within six months. In addition, the General Directorate of Foreign Transactions, to whom the application is made, may decide that, by reason of the size, nature or financial characteristics of the proposed investment, prior authorization from the Ministry of Economy and Commerce will be necessary.

Within two months after the direct investment has been made, the investor must verify this fact with documents presented to the General Directorate of Foreign Transactions. Failing in this, the investor is required to repatriate the transferred funds. The proceeds from the liquidation of a direct investment may be reinvested without reconversion into pesetas if realized within fifteen days after the reconversion, and without verification if reinvested in a direct investment with the same business purpose or in a permitted portfolio investment.

The new law, for the first time in years, grants general authority to Spanish residents to make portfolio investments abroad, which may be made without verification. However, this right is restricted in a number of important ways. First, portfolio investments are limited to stock, debt instruments of fixed or floating rates of interest, and shares of mutual investment companies. To qualify, the securities must be denominated in a currency quoted in the Spanish foreign currency market and must be acquired on an organized exchange market. Of course, the acquisition of stock representing more than twenty percent of the capital will require verification as a direct investment. Debt instruments must have a term of at least one year from the investment.

In addition, Spanish residents may only invest up to five million pesetas or, if greater, thirty percent of their net worth in foreign portfolio investments. This quantitative limitation is likely to be raised in 1987 and, pursuant to Spain's EEC obligation, will disappear altogether in 1989, at least with respect to investment in other EEC countries.

Spanish investors may buy and sell permitted foreign portfolio investments as often as they please, provided that: 1) foreign currency held as a result of a liquidation must be reinvested or repatriated within fifteen years, and 2) funds invested in foreign portfolio investments may not be converted back into pesetas for at least six months. This last requirement, together with the prohibition against the purchase of short-term debt instruments, is designed to aid the Spanish government control short-term capital movements and thus the stability of the peseta.

The new law has not liberalized Spanish investment in real estate or in real estate companies. These investments remain subject to prior authorization. However, Spain's EEC obligations make an exception for purchases of residential real estate by Spanish workers in other EEC countries and acquisitions of real estate in connection with the establishment of Spanish businesses in other EEC countries. Spain is further obligated to grant general authority for real estate investments in other EEC countries by the year 1992.

All dividends, interest and other income received by Spanish residents from foreign investments must be converted into pesetas int the Spanish foreign currency market, at least to the extent permitted by foreign currency control laws. This is also true in the case of liquidation proceeds, except in the case of portfolio investments when the proceeds are reinvested within fifteen days.

In addition, the acquisition, transfer and liquidation of foreign invest-

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ments by Spanish residents must take place through financial institutions located in Spain. Furthermore, the investments must be acquired in the name of the financial institution as nominee of the investor and all economic rights relating to the investment must be exercised through the financial institution.

SUMMARY

The liberalization of Spain's capital market effected in 1986 is but one of the many significant changes that will affect Spain, its EEC partners and third countries in the years to come. For Spain, the changes will have more than economic effects, as Spain adapts socially and politically to its integration into the Common Market. For businesses and investors interested in Spain, an understanding of the changes being made and their consequences will surely be necessary. □

INVESTMENT

Sharp Increase in Spanish Overseas Investments in 1986

Spanish overseas investments rose in 1986 to 66,857 million pesetas (US$522 million), compared with the 43,810 million pesetas ($342 million) in 1985. The majority of the investments are in EEC countries, above all France with 11 percent of the total, and Portugal with 9 percent. Outside Europe, investment in the United States has risen from 5,641 million pesetas ($42 million) in 1985 to 13,332 million ($104 million) in 1986.

Distribution by sector. Exactly half of the Spanish overseas investment is in financial organizations, 8 percent less than in 1985. Investment in commercial companies is also important, especially in the U.S. A total of 8 percent of the assets invested are in industry, and those in the primary sector were substantial, owing chiefly to the growth of fish companies.

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ECONOMIC LIBERALIZATION SWEEPS SPAIN

(CONTINUED FROM PAGE 39)

ment skills—and, of course, more capital. Furthermore, the entrance of foreign companies will also trigger productive investments by local companies.

A third factor in Spain's liberalization was simply that of the timing. Liberalization coincided and went in step with the increase in international economic activity and with the limited economic recovery which Spain had been enjoying.

The liberalization process will go on through 1992, when the economy of Spain will be fully integrated with that of the EEC and when the EEC itself will become a true, single market. Until then, liberalization will be a component of Spanish integration not only into the EEC but also into the global economy, in which Spain is committed to playing an ever greater role. During the next five years the liberalization process will go hand in hand with measures to revamp the Spanish economy. Judging from the way Spain has overcome a severe economic crisis in so little time, and looking at today's economic indicators and prospects for the future, it is little wonder that there is growing confidence among other countries in the future of Spain's economy—confidence of which the recent boom in foreign investment is a measure.

> *"There is growing confidence among other countries in the future of Spain's economy..."*

GOVERNMENT MEASURES TO ATTRACT FOREIGN INVESTMENT

As the Administration is well aware that the recovery of productive investments plays a vital role in the achievement of short and long term growth and generation of lasting and stable employment, a major concern right now, it is firmly committed to encouraging the establishment of foreign companies in Spain.

The $5 billion current account surplus experienced in 1986 indicates that foreign capital by itself is not the primary target. Other, less tangible riches, such as skills, training, technology, systems, employment, etc., which accompany capital transfers are those which are truly in demand and will be for the next few years, because the Government's primary objective on the economic front is to assist local companies to adopt new technologies so that they do not fall behind in the impending new industrial revolution.

In granting incentives and assistance, the Spanish Government will take into consideration the factors mentioned above and be more or less generous accordingly and on a case-by-case basis. Indeed, no universal and clearcut "help" package exists. In every instance foreign investors will negotiate their respective deals with the central government and its agencies, with a local government, and even, in some instances, with the mayor of the town in question.

Incentives and assistance programs are outlined elsewhere in this section (see page 36). The ZUR's (Zones of Urgent Reindustrialization) are located in otherwise developed regions that have been most affected by the recession (i.e. Barcelona, Cádiz, Ferrol, Madrid, Nervión and Vigo). The ZUR programs aim to encourage productive investments in new industries as a means of absorbing surplus labor. The SODI's (*Sociedades de Desarrollo Industrial*), located throughout Spain, will purchase between 5 percent and 45 percent of a new venture on the condition that the same share will be bought back by the majority share holder within three years.

As a means of promoting the growth of small and medium-sized firms, the Government has also encouraged the creation of venture capital companies and an over-the-counter stock exchange. The idea is to provide smaller companies with access to equity funding. Through the OTC exchange, venture capital companies can also fund their operations and trade shares.

We may safely say that the Government has taken an active role and a pragmatic approach, not in directing the economy but in providing the local and international business community with a climate and frame of reference conducive to productive investment—an economic policy formulated both with long-term considerations and incentives for the short term. □

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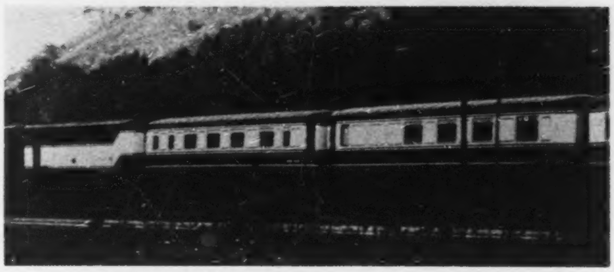
See Spain by Train



AN UNFORGETTABLE ADVENTURE

By JUDITH GLYNN

The El Transcantabrico train pulls out of the tiny railroad station every Friday evening from June through October. Without fanfare and with only a few toots from the locomotive, its passengers begin a seven-day journey that will take them on one of the longest and most picturesque train rides in all of Europe.

Leaving either from León, in the north of Castile, or from the Galician town of El Ferol, the trip is one of Spain's best kept tourist secrets and should be discovered by anyone who wants to enjoy the beautiful, natural, exciting, historical, folkloric and mysterious north of Spain.

El Transcantabrico is a narrow-gauge, modernized train of yesteryear running along 625 miles of track. It was refurbished with loving care in 1982. Among its amenities are air conditioning in its eight cars; updated sleeping compartments complete with wash basins and wardrobes; shower facilities in each car; a pub car with live music nightly; and an entertainment car for viewing television, playing cards, or relaxing with fellow passengers.

The train never travels at night. Instead it pulls into one of the small, out-of-the-way railroad stations to allow passengers to have a restful sleep. Some of the stations along the route had been closed for years until the El Transcantabrico was brought back to life. Now nightly visits to the platform by local townspeople and giggling children are commonplace and add a special feature to the train's charm.

After breakfast, the only meal served on board, a sleek air conditioned bus takes everyone on a full day's excursion with a multilingual guide. The bus always travels along with the train for this use and for possible emergencies.

Day trips include visits to the recently unearthed Roman ruins at the Villa Romana de la Olmeda, in Palencia's small village of Pedrosa de la Vega. This spectacular site is approximately the size of a football field. The mosaics on the floor are in perfect detail and depict hunting scenes, in color. Another visit is to the 15th century village of Santillana del Mar, where a Romanesque cloister is one of the most important in all of Spain. Outside in the courtyard, music from the harp-like dulcines and snare drums accompany village children who perform native dances dressed in costume.

For the naturalist, the El Transcantabrico's itinerary includes a visit to the Picos de Europa, a magnificent mountain range in the province of Cantabria. There is a stop on the way up where it is a custom to order sparkling apple cider from the region. But first the bottle must be held high and the cider poured into glasses at an angle. This creates a gas effect, making the cider less tart and tangy. Take a long drink and then throw out the rest. And be sure to try the *chorizo* cooked in cider as well.

City lovers will appreciate the stop in Santander, a lovely seaside resort where you can still watch the fishermen pull in a day's catch in the

ABOVE, THE FISHING PORT OF LASTRES IN THE PROVINCE OF OVIEDO.
RIGHT, THE CHURCH OF SAN SALVADOR IN VALDEDIOS, ONE OF SEVERAL NINTH CENTURY CHURCHES IN ASTURIAS.

A GOTHIC BRIDGE OVER THE RIVER SELLA AT CANGAS DE ONIS.

morning. And you might also become an overnight millionaire at the city's recently restored casino.

Some of the best shopping in northern Spain is in the city of Olviedo, where the train pulls in for a complete day of sightseeing and an overnight stop.

The El Transcantabrico's staff not only plans a varied itinerary, it pays very special attention to the food eaten along the way. Restaurants are chosen for their presentation of local dishes, ambience and overall services. And you might find yourself eating in a 4-star restaurant overlooking the ocean or tucked away upstairs in a tiny, centuries-old restaurant where the fresh grilled trout was just caught from a nearby stream.

But one of the best parts of the journey is relaxing and meeting people from around the world and living with them for one week.

If you prefer not to take the day's excursions, stay on board the train while it travels from one stop to the next.

Although there is no maximum age, handicapped or physically impaired passengers will find it difficult to maneuver a full day's itinerary. And the train's management does not recommend taking children under age eight.

El Transcantabrico has a very attentive crew of twelve, directed with special charm by general manager Angela Mojica. She was the first woman ever to take over the train's management, and her loving touches show up everywhere, from fresh flowers to the little candies which are available for nibbling between meals.

Reservations can be made by calling directly to the main office in Madrid (233 70 00 or 253 76 56). Or write to Angela Mojica Soto; El Transcantabrico; General Rodrigo, 6; Madrid 28003; Telex: 48690. The cost per person, double occupancy, is 86,390 pesetas (about $675) in the low season (June and October) and 104,410 pesetas (about $830) in July, August and September. (Single supplements are 18,020 and 22,260 pesetas respectively). These prices include all excursions, continental breakfast, luncheons and dinners, all of excellent regional cuisine.

EL TRANSCANTABRICA is also available for business uses such as incentive travel, meetings, sales promotions, fashion shows, presentation of new products, etc. There is a maximum capacity of 52 for such trips.

Normally the management suggests off-season times between May and October for better dates and special prices. Occasionally, however, the train can be booked during the high season with enough advance notice and availability.

ABOVE, CUDILLERO, ONE OF THE MOST BEAUTIFUL FISHING PORTS OF ASTURIAS.

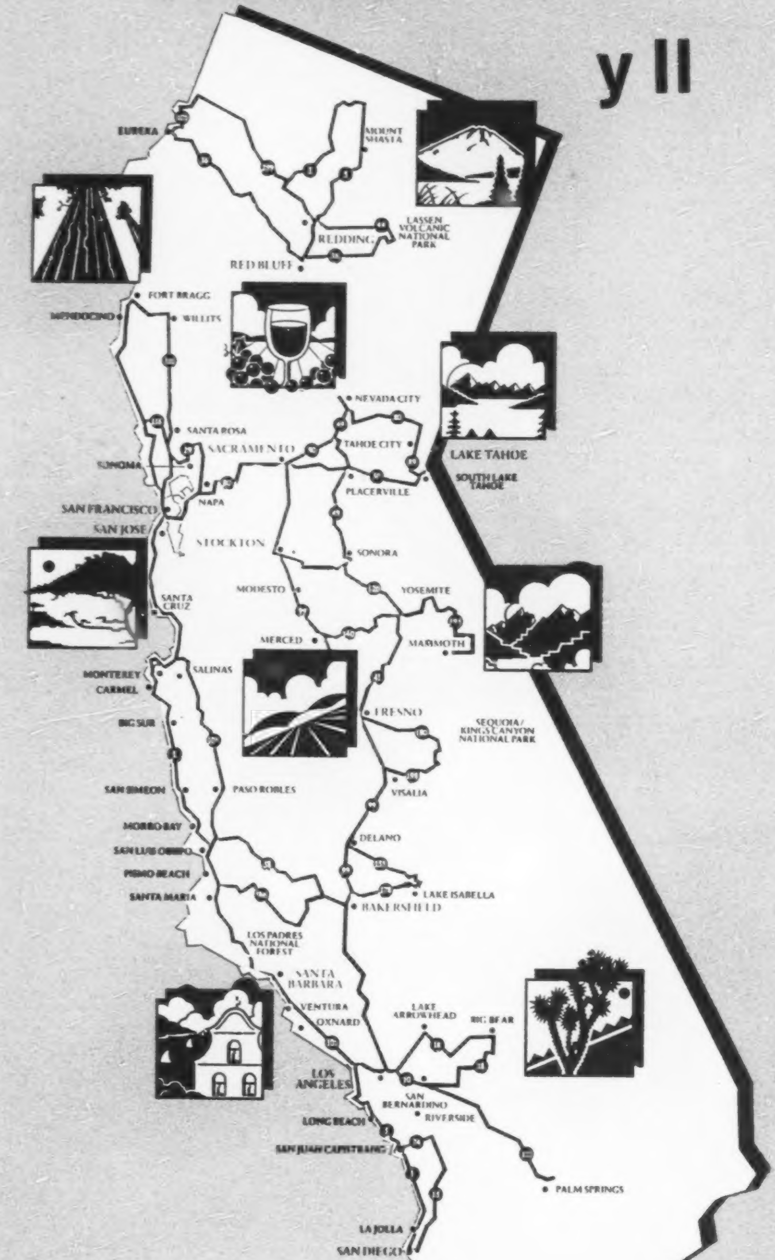
USA—ESTADO POR ESTADO

Por JUAN CARLOS LLOPART

California

APROXIMACION A LA QUINTAESENCIA DEL "AMERICAN DREAM"

y II


EUREKA
MOUNT SHASTA
LASSEN VOLCANIC NATIONAL PARK
REDDING
RED BLUFF
FORT BRAGG
MENDOCINO
WILLITS
NEVADA CITY
SANTA ROSA
SACRAMENTO
TAHOE CITY
LAKE TAHOE
SOUTH LAKE TAHOE
SONOMA
PLACERVILLE
NAPA
SAN FRANCISCO
SAN JOSE
STOCKTON
SONORA
SANTA CRUZ
MODESTO
YOSEMITE
MERCED
MAMMOTH
MONTEREY
CARMEL
SALINAS
FRESNO
SEQUOIA/ KINGS CANYON NATIONAL PARK
BIG SUR
SAN SIMEON
PASO ROBLES
VISALIA
MORRO BAY
DELANO
SAN LUIS OBISPO
PISMO BEACH
LAKE ISABELLA
SANTA MARIA
BAKERSFIELD
LOS PADRES NATIONAL FOREST
SANTA BARBARA
VENTURA
OXNARD
LAKE ARROWHEAD
BIG BEAR
LOS ANGELES
SAN BERNARDINO
RIVERSIDE
LONG BEACH
SAN JUAN CAPISTRANO
PALM SPRINGS
LA JOLLA
SAN DIEGO

II

Analisis de la economía californiana por sectores

En los últimos años, California se ha convertido en el primer Estado industrial del país desbancando a Nueva York. Actualmente existen en el estado 40.000 empresas censadas, de las que más de 500 tienen más de 500 empleados.

A continuación pasamos a analizar sector por sector la economía californiana.

Industria aeronáutica y de defensa:

La 2° Guerra Mundial permite un importante relanzamiento de la economía californiana después de la gran depresión (1929-32) que hundió a un quinto de la población del estado en la miseria, teniendo que depender de las ayudas estatales para subsistir. Debido a la situación de este estado en la costa del Pacifico, el gobierno federal gastó un 10% del presupuesto de guerra global en inversiones en California, potenciando fuertemente las industrias naval y aeronáutica que a partir de ese momento se convirtieron en parte esencial de su economía, que se vería reforzada, en la postguerra, con el auge de la industria aeroespacial, que dio lugar a nuevas inversiones en el Estado.

California es el Estado de la Unión con mayor indice de gastos militares (50.000 millones de dólares en 1984). Aproximadamente 1 de cada 9 dólares generado en el Estado es atribuible a aquellos, siendo entre el 15% y el 20% del crecimiento regional, imputable a dichos gastos. En 1985, California se llevó 35.000 millones de dólares en contratos relacionados con la industria militar y aeronáutica, totalizando un cuarto del total de gastos realizados en dichos sectores en el país. Más de 700.000 personas estan empleadas en el sector de defensa y en el aeronáutico, pudiendose afirmar que cada 1000 millones de dólares generados en contratos militares, se crean 28.500 empleos directos y 7500 empleos indirectos.

Hay que indicar que Hughes Aircraft es el primer empleador industrial del Estado, con 68.500 de sus 82.000 empleados trabajando en California, seguido de Northrop, empresa que fabrica aviones de caza, y que tiene una participación del 13% en la empresa española C.A.S.A., con 47.000 trabajadores, mientras que Lockheed tiene 21.000 empleados produciendo misiles, T.R.W., unos 17.000 fabricando satelites, asi como McDonnell Douglas (independientemente de su actividad como fabricante de aviones comerciales) y Rockwell, que estan relacionados con el programa espacial, y muy especialmente con el transbordador y la estación espaciales.

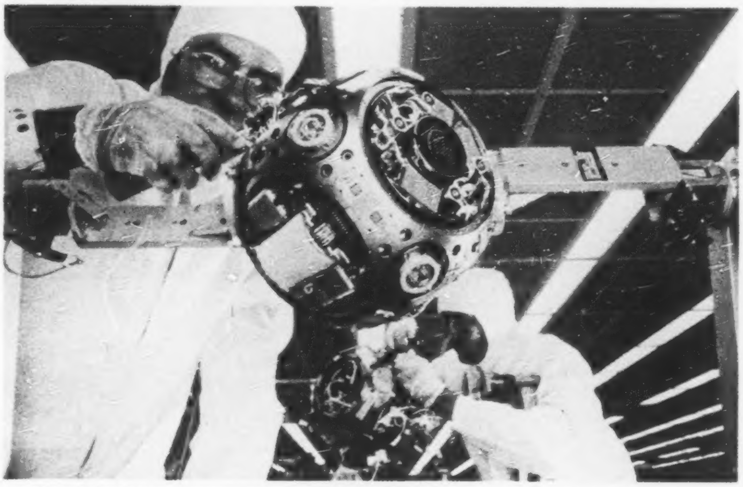
Un punto muy positivo para el Estado, ha sido el aumentoregistrado en 1985 y en los primeros meses de 1986 de la demanda, tanto interna como externa, de aviones comerciales. Como dato indicaremos que en 1985 la venta al exterior de este tipo de aviones aumento en un 70%. Asi mismo, son significativas las inversiones que la N.A.S.A. tiene hechas en la región con la estación de seguimiento de vuelos espaciales de Pasadena y las pistas de lanzamiento y aterrizaje alternativas del desierto de Mojabe.

Industria electrónica y de alta tecnologia

California posee la mayor concentración de industrias de alta tecnologia del pais, entre las industrias electrónica, aeroespacial, oceanográfica, de instrumentos cientificos, computadoras, telecomunicaciones y equipamiento de oficinas, sectores todos ellos y que generan entre el 30-40% de sus ventas en el exterior.

Solamente el sector de la electrónica ocupaba, a Junio de 1985, 598.000 trabajadores, convirtiendo a California en el Estado lider en esta industria en Estados Unidos, por delante de Nueva York y Massachusetts. El corazón de las industrias de alta tecnologia esta situado al sur de la bahia de San Francisco y es el lugar donde nació la tecnologia del ordenador. Su nombre real es el de Valle de Santa Clara, pero es más conocido como "Silicon Valley" o valle del silicio (principal materia prima para la fabricación de chips). Este valle, considerado independientemente, produce más del 30% de todos los semiconductores que se fabrican en Estados Unidos, y casi el 20% de todos los ordenadores. Con más de 1.700 empresas de alta tecnologia, de las 4.450 que según la American Electronics Association cuenta el pais, localizadas en el valle, hoy en dia se esta conociendo en este lugar importantes avances en campos tales como la biotecnologia, la inteligencia artificial o las fibras ópticas, aun considerando la actual crisis conyuntural por la que estan pasando sus principales industrias: los circuitos integrados y el ordenador personal (en el valle es donde nació el famoso Apple computer).

En la corta vida del valle, los hitos fundamentales de su historia han sido: la fundación en 1891 de la universidad de Stanford, verdadero motor intelectual y laboratorio de nuevas experiencias; la creación en 1938 de la compañia Hewlett-Packard, y la creación en los años cuarenta del Stanford Industrial Park, un nucleo de tecnologia comercial avanzada.



Como ejemplo de la ferviente actividad investigadora de este sector diremos que el 80% del negocio global de Hewlett-Packard en 1985 fue hecho con productos que no existian 3 años antes.

El valle en si mismo es un mundo aparte, con una población de 1.5 millones de habitantes de origen multirracial, pero predominantemente blanca (70%), aunque con una fuerte representación de hispanos (18%), con una edad media de 28.7 años, una media de 12.6 años de enseñanza y, siendo el reino del titulado superior bien remunerado, tan solo en 1984 produjo equipos por valor de 21.000 millones de dólares.

Construcción.

El sector de la construcción junto con el de la electrónica, pueden ser considerados como los motores de la expansión que la economia californiana ha experimentado en 1986.

El fuerte crecimiento económico alcanzado en California en 1984 fue especialmente significativo en el sector de la construcción, sin embargo 1985 ha sido el mejor año en lo que se refiere a la concesión de permisos de construcción de viviendas desde 1977, donde se dieron más de 277.000 permisos. La combinación de los bajos tipos de interés de las hipotecas, que han hecho las viviendas más asequibles, y la acelerada depreciación de las viviendas de alquiler, han hecho de 1985 el mejor año en construcción en toda la decada. El conjunto de todos estos factores han hecho de California el Estado más urbanizado de la Unión. Esta tendencia se esta manteniendo durante 1986, ya que tan solo en los primeros 4 meses del año el incremento en la construcción de apartamentos fue de 27% respecto al mismo periodo del año anterior.

El total del valor de los permisos de construcción, tanto residencial como no, concedidos en 1985, superó los 30.000 millones de dólares, aumentando un 12% desde el año anterior. La construcción de edificios no residenciales es también fuerte, especialmente en el sector de los almacenes de distribución de bienes, a pesar de que California cuenta con un indice de desocupación de instalaciones industriales (6.2%) ligeramente superior a la media nacional (5%). La conclusión es que la construcción industrial aumentara más lentamente, si se compara con la construcción residencial.

Hay que señalar que la industria de la construcción en California esta afectada por la propensión de la región a los movimientos sismicos, que hace que se edifique en horizontal más que en vertical, por lo que las ciudades californianas son una

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JUAN CARLOS LLOPART actualmente es adjunto al Consejero Comercial de España en Los Angeles, y se formó en las aulas de I.C.A.D.E., Madrid, donde obtuvo los títulos de licenciado en Derecho y graduado en Ciencias Empresariales.

interminable sucesión de casas unifamiliares y edificios de baja altura. Historicamente la construcción de viviendas unifamiliares representa el 60% de toda la construcción residencial, sin embargo esa tendencia ha cambiado en los últimos años con el desarrollo de nuevas técnicas de construcción, y hoy por hoy el 50% de toda la construcción residencial californiana es multiple y, en muchos casos, vertical.

Industria del espectáculo

California, especialmente Los Los Angeles, y más concretamente Hollywood, es el centro de la industria del espectáculo, en sus variantes de radio, cine, televisión y discografia. Como ejemplo, diremos que cerca del 90% de todos los programas de televisión de Estados Unidos estan producidos en el area de Los Angeles.

El estado es sede de aproximadamente 200 compañias de grabación que son responsables del 45% de las ventas de discos, casettes y compact-disc de Estados Unidos.

Tomadas en su conjunto las industrias del cine, televisión y grabación de sonido, no solamente tiene una gran importancia en la economia del estado, sino también una influencia capital en la evolución de la cultura internacional, ya que exportan sus productos masivamente a la mayoria de los paises del mundo.

Industria química y farmacéutica

California cuenta con 820 compañias quimicas con aproximadamente 1.200 plantas en todo su territorio, produciendo entre otros los siguientes productos: pesticidas agricolas, insecticidas, herbicidas, fertilizantes, productos plásticos, fibras sintéticas, conservantes alimenticios, jabones y detergentes, pinturas, resinas, tintas, colas, etc. Asimismo, cuenta con 145 empresas farmacéuticas concentradas, fundamentalmente en el area de Los Angeles.

Energía

En 1982, Edward Doheny descubre, en una fosa cavada por unos trabajadores en el centro de Los Angeles, una sustancia bituminosa de color negro que identifica como petroleo. En 1920 las compañias Shell, Standard, y Union establecen las primeras prospecciones petrolíferas comerciales del estado, que pronto se convierten en una fuente de ingresos más importante que todo el oro extraido de la región un siglo antes.

California cuenta con unos importantes recursos naturales, contando con una significativa producción propia de petroleo y gas natural, así como una importante capacidad de refino.

El hecho de que estos recursos naturales sean escasos, ha hecho que California se convierta en el Estado lider en Estados Unidos, en el desarrollo de programas de investigación y de la explotación comercial de sistemas energeticos alternativos (energia solar, eólica, fotovoltaica y geotérmica). Asimismo, es uno de los Estados de la Unión donde la energía nuclear cuenta con un papel más importante.

> ***"En 1984 el 44% de toda las nuevas inversiones realizadas en Estados Unidos fueron hechas en California. . ."***

Sector de finanzas

La zona de Los Angeles es el tercer centro financiero de Estados Unidos, detrás de Nueva York y Chicago, y el área del gran San Francisco es la cuarta en importancia.

A continuación se detallan los 10 mayores bancos con sede en California:

BANCO	SEDE
1—Bank of America	San Francisco
2—Pacific National Bank	Los Angeles
3—Wells Fargo	San Francisco
4—First Interstate	Los Angeles
5—Crocker National Bank (acquirido por Wells Fargo en 1986)	San Francisco
6—United California Bank	Los Angeles
7—The Bank of California	San Francisco
8—First Western Bank and Trust Company	Los Angeles
9—United States National Bank	San Diego
10-Southern California First National Bank	Los Angeles

El ranking bancario de Estados Unidos A 31/12/1985, mostraba que California contaba con 4 de los 10 bancos más importantes del país, siendo Bank of America el primer banco americano a nivel de depósitos y, el segundo, detrás de Citicorp, en lo que se refiere a activos.

Hay que resaltar que tan solo en el área de Los Angeles existen 225 bancos y 78 instituciones de ahorro o crediticias, habiendose establecido en esta ciudad más de 75 bancos extranjeros, entre los que destacaría la presencia del Banco Exterior de España.

En 1984 el 44% de toda las nuevas inversiones realizadas en Estados Unidos fueron hechas en California, así como el 30% de todas las inversiones realizadas por bancos extranjeros, y el 20% de toda la inversión extranjera global, que tambi9n fueron hechas en este Estado, que por sí solo genera el 12.5% de la producción total de bienes y servicios del país.

Transporte

California cuenta con una excelente infraestructura de transporte, catalogada entre las más avanzadas del mundo:

Transporte por carretera: Es el reino del automovil. Por poner un ejemplo y, a modo de anécdota, el edificio del World Trade Centre de Los Angeles donde se encuentra situada la Oficina Comercial de España es un edificio sin entrada peatonal teniendo su acceso estructurado a través de la entrada del aparcamiento.

Existen 174.000 millas de via públicas, de las cuales 8.700 Km. son de autopistas, y hay que destacar que el parque movil del estado ronda lo 19 millones de vehiculos, siendo el comercio exterior de vehiculos de motor también de gran importancia, ya que tan solo el puerto de Los Angeles facturó en 1985, 400.000 coches, siendo el primer distrito aduanero de Estados Unidos en este capitulo.

Transporte aéreo: Tiene uno de los sistemas de transporte aéreo más eficaces del pais contando con 800 pistas de aterrizaje en su territorio.

RANKING DE BANCOS CALIFORNIANOS EN EL GLOBAL DE LA ECONOMIA AMERICANA

Ranking de bancos según activos:

BANCO	(Miles millones de dólares)
2. Bank of America	87.7
7. Security Pacific	53.6
9. First Interstate	49.0
10. Wells Fargo Bank	48.6

Fuente: American Banker

Ranking de bancos según depósitos:

BANCO	(Miles millones de dólares)
1. Bank of America	89.6
7. Wells Fargo Bank	36.9
8. Security Pacific	31.2

entre aerodromos, aeropuertos y pistas privadas. Los aeropuertos internacionales de Los Angeles (el 2° de Estados Unidos) y San Francisco estan entre los 5 primeros de la nación en volumen de tráfico, y más de 35 lineas aéreas tienen vuelos regulares a California.

Transporte por ferrocarril: La construcción de la via ferrea en el Estado comenzó a mediados del siglo XIX, con la unión de Sacramento y el Estado de Utah, y desde alli con el resto de la nación. Esta primera obra, adquirió un caracter épico, por las dificultades orográficas a superar, y el hecho, de fue enteramente realizada por los "coolies", o primeros emigrantes chinos llegados a California.

En la actualidad, si bien la mayor parte del transporte terrestre se realiza por carretera, California cuenta con un buen sistema de transporte por ferrocarril, que tiene casi 12.000 Kms. de via ferrea, por las que operan 36 compañias, de las cual las principales son: Southern Pacific, Santa Fe, Western Pacific y Union Pacific.

Transporte marítimo: Existen en la costa californiana 11 puertos de importancia, entre los cuales destacan, en el norte, San Francisco, Richmond, Oakland y Redwood City, y en el sur, Los Angeles, Long Beach y San Diego.

California sirve de base a más de 60 lineas comerciales de transporte maritimo.

Transporte fluvial: Es de poca importancia, destacando los puertos de Sacramento y Stockton en el norte del Estado.

Turismo

California esta lleno de attracciones de ensueño: Disneylandia, el acuadrio de Sea World de San Diego, los Estudios Universal en Hollywood y paisajes de gran belleza tales como sus parques naturales y la bahia de San Francisco, por citar algunos ejemplos.

Se trata de una industria que en 1985, incluyendo los viajes internos de los californianos, generó 30.000 millones de dólares y ocupa a medio millón de trabajadores de modo directo y crea empleo indirecto en las industrias de transportes, agencias de viajes, espectaculos, hostelería, etc. Cada 50.000 dólares gastados, se mantiene un puesto de trabajo en California. En 1986 se estima que los ingresos por turismo seran de 33.000 millones de dólares, con un aumento del 8.1% respecto a 1985, superior al 7.9% de incremento de la media nacional.

Un 20% de todos los visitantes a Estados Unidos viene a California, siendo la mitad de ellos de 3 paises fundamentales: México, Canadá y Japón. Sin embargo, tan solo el 10% de los visitantes del estado son extranjeros, estando las 3/4 partes de todo el turismo concentrado en los condados de Orange, Los Angeles, San Francisco y San Mateo.

El turismo alcanzó su máxima cota de visitantes con la celebración de los Juegos Olimpicos de Los Angeles en 1984.

SAN FRANCISCO

Agricultura

Con una agricultura muy diversificada y de un alto valor añadido, California se ha convertido en el primer Estado en producciónagricola de Estados Unidos, que con aproximadamente el 3% del territorio total del pais, genera más de la mitad de la producción de frutas y legumbres (destacando entre ellas el tomate, la lechuga y la cebolla) estadounidense. Asimismo se trata del tercer Estado exportador de productos agricolas en Estados Unidos, detrás de Illinois y Iowa, aunque cuenta con el 100% de la exportación estadounidense de 11 productos agricolas y, en otros 28 cuenta con más del 50% de la exportación total.

Se trata de una industria altamente técnificada, que cuenta con el apoyo de una mano de obra barata proveniente de México, y de unas condiciones climatologicas privilegiadas, además de un excelente sistema de riego, que le permite recoger hasta 2 y 3 cosechas anuales (dependiendo del producto), de más de 200 productos agricolas.

Cuenta con una gran diversidad de productos entre los que destacan: uva, algodón, heno, tomate, lechuga, vino, flores, naranjas, almendras, y fresas.

La exportación de los productos agricolas esta principalmente centrada en almendras, naranjas, uvas, algodón y arroz, estando 2/3 de ella dirigida a los paises del este de Asia.

El valor de lo generado por los productos agricolas producidos en California en 1984 fue de 13.800 millones de dólares. Sin embargo se trata de un sector en crisis que ha ido perdiendo rentabilidad, donde han bajado las exportaciones y el terreno agricola se ha devaluado en los últimos años, por ello el gobierno californiano prevee gastar 5 millones de dólares en 1986 en promover la agricultura estatal en el exterior através de publicidad, créditos, asistencia la exportación, seguros, etc., con el fin de abrir nuevos mercados.

Especial interés ofrece la producción de vino que esta concentrada en el Nappa Valley, al norte de San Francisco, que produce vinos de gran calidad, principalmente provenientes de cepas originalmente francesas e italianas, y que dominan el mercado americano donde representan casi 2/3 de todos los vinos comercializados en el pais.

Sin embargo, hay que recordar que la uva es el primer producto fruticola de California, y que fueron los misioneros franciscanos del siglo XVIII quienes trajeron consigo las primeras cepas de uva vinifera.

A continuación daremos a conocer unos datos aproximados del mercado de vinos estadounidense en 1985:

CONCEPTO	MILLONES DE CAJAS
Total mercado americano	245.8
Producción californiana	159.8
Producción resto Estados Unidos	28.5
Total vinos importados	57.5
Total importación de vinos españoles	3.8
Indice de penetración de los vinos importados en California	16%

Fuente: Vinos de España, Nueva York.

COMERCIO EXTERIOR

California es el Estado lider en comercio exterior entre los 50 Estados de una nación como Estados Unidos que, con tan solo el 5% de la población mundial, produce el 22% de todos los bienes industriales fabricados en el mundo, y que a su vez es el mayor exportador mundial en terminos globales.

En 1985 los puertos de California canalizaron un tráfico de mercancias valorado en 94.000 millones de dòlares, equivalente al 18% del producto estatal bruto, siendo, entre el 60 y el 70% de todos los bienes que entran y salen de puertos californianos atribuibles al Estado de California. Hay también que señalar que es una actividad en alza, ya que, desde 1970 el volumen de comercio exterior canalizado através de las aduanas californianas se ha triplicado.

Tradicionalmente el comercio exterior ha jugado un importante papel en la economia californiana, empleando cerca de un millón de personas en actividades relacionadas con él. Es también de señalar el alto grado de penetración de las importaciones en este estado, lo que hace que la balanza comercial californiana refleje un deficit endémico desde 1970, año de su último superavit (163 millones de dòlares), hasta 1985, año donde se registró un deficit record de 29.210 millones de dólares. En este último año, el valor de las importaciones (61.000 millones de dólares) casi dobló al de las exportaciones (32.400 millones de dólares), que se han estancado en su evolución desde 1984, mientras que las importaciones han crecido en un 25%, demostrando la fuerte propensión a la importación del consumidor californiano.

MISION ESPAÑOLA
DEL SIGLO XVII
EN CALIFORNIA.

COMERCIO EXTERIOR ATRAVES DE PUERTOS CALIFORNIANOS

(en millones de dólares)

AÑO	EXPORTACIONES	IMPORTACIONES	TOTAL	SALDO
1980	26.974	29.414	56.208	-2.619
1981	29.990	31.690	61.680	-1.700
1982	29.120	32.583	61.703	-3.463
1983	29.380	37.944	67.323	-8.564
1984	32.204	49.270	81.474	-17.067
1985	32.396	61.606	94.002	-29.210

ORGANISMOS DE INTERES EN CALIFORNIA

California Chamber of Commerce
1027 10th Street
P.O. Box 1736
Sacramento, CA 95808
Teléfono: (916) 444-6670

Los Angeles Chamber of Commerce
International Commerce
404 S. Bixel Street
Los Angeles, CA 90017
Teléfono: (213) 629-0722

San Francisco Chamber of Commerce
International Development
465 California Street, 9th floor
San Francisco, CA 94104
Teléfono: (415) 392-4511

San Diego Chamber of Commerce
110 West "C" Street, Suite 1600
San Diego, CA 92101
Teléfono: (619) 232-0124

California Economic Development Corporation
1121 L Street, Suite 802
Sacramento, CA 95814
Teléfono: (916) 444-2332

California State World
World Trade Commission
1121 L Street, Suite 310
Sacramento, CA 95814
Teléfono: (916) 324-5511

California State Department of Commerce
Office of Business Development
1121 L Street, Suite 600
Sacramento, CA 95814
Teléfono: (916) 322-5665

California Council for International Trade
77 Jack London Square, Suite L
Oakland, CA 94607
Teléfono: (415) 452-0770

CONTACTOS ESPAÑOLES EN CALIFORNIA

Consulado General de España
6300 Wilshire Blvd., Suite 1434
Los Angeles, CA 90048
Teléfono: (213) 658-6050

Consulado General de España
2080 Jefferson Street
San Francisco, CA 94123
Teléfono: (415) 922-2995

Oficina Comercial de España
The World Trade Center, Suite 498
350 So. Figueroa Street
Los Angeles, CA 90071
Teléfono: (213) 628-1406

Banco Exterior de España
515 So. Figueroa Street, Suite 750
Los Angeles, CA 90071
Teléfono: (213) 622-7106

Banco de Vizcaya
650 California Street
San Francisco, CA 94108
Teléfono: (415) 392-2530

Banco Central
505 Sansome Street
San Francisco, Ca 94111
Teléfono: (415) 398-6333

Iberia Airlines
6300 Wilshire Blvd.
Los Angeles, CA 90048
Teléfono: (213) 852-4733

Oficina Nacional de Turismo
8383 Wilshire Blvd., Suite 960
Beverly Hills, CA 90211
Teléfono: (213) 658-7188

MAJOR CALIFORNIA COMPANIES

The following list, prepared by the Los Angeles Times, includes only companies with headquarters in California and publicly held stock.

The financial and other institutions listed are ranked by assets for the year-end 1985 or fiscal year ending on or before March 31, 1986.

Financial Institutions —

BANKS

1 **Bank of America National Trust & Savings Assn.** (1904) Ranks second nationally in deposits. Operates 903 branches in California and 101 branches overseas and has representative offices, offices of subsidiaries and affiliates in 76 nations. Owned by BankAmerica Corp. (see holding companies). **Assets:** $106.17 billion year-end 1985 ($104.17 billion in 1984). Deposits: $88.07 billion ($88.11 billion). Net income: loss of $431.0 million (profit of $354.0 million). Employees: total 58,470; California 56,170. Headquarters: 555 California St., San Francisco 94104. Chairman: Leland S. Prussia. President and chief executive: Samuel H. Armacost. 1985 rank: 1. **NYSE, PSE** as BankAmerica Corp.

2 **Security Pacific National Bank** (1871) Ranks seventh nationally in deposits. Operates 599 retail banking offices and 40 business banking centers in California. Also operates loan production offices in major U.S. cities; an Edge Act subsidiary with branch offices in major U.S. cities; offshore banking units in key international markets. Owned by Security Pacific Corp. (see holding companies). **Assets:** $44.81 billion year-end 1985 ($40.15 billion in 1984). Deposits: $32.88 billion ($30.90 billion). Net income: see holding company. Employees: total 30,900; California not available. Headquarters: 333 S. Hope St., Los Angeles 90071. Chairman: Richard J. Flamson III. President and chief executive: George F. Moody. 1985 rank: 2. **NYSE, PSE** as Security Pacific Corp.

3 **Wells Fargo Bank National Assn.** (1852) Ranks 10th nationally in deposits. Operates 310 statewide branches, four overseas and one subsidiary—Wells Fargo International Ltd. Owned by Wells Fargo & Co. (see holding companies). **Assets:** $23.52 billion year-end 1985 ($24.04 billion in 1984). Deposits: $19.76 billion ($20.44 billion). Net income: see holding company. Employees: total 12,900; California not available. Headquarters: 420 Montgomery St., San Francisco 94163. Chairman and chief executive: Carl E. Reichardt. President: Paul Hazen. 1985 rank: 3. **NYSE, PSE** as Wells Fargo & Co.

4 **First Interstate Bank of California** (1868) Ranks 13th nationally in deposits. Operates 320 branches in California. Also operates an Edge Act subsidiary in New York with branch offices in Chicago and Miami and conducts business abroad in 22 locations through branches, representative offices and subsidiaries. Wholly owned by First Interstate Bancorp (see holding companies). **Assets:** $20.61 billion year-end 1985 ($20.04 billion in 1984). Deposits: $16.50 billion ($15.47 billion). Net income: $137.9 million or $18.91 a share ($125.1 million or $17.16). Employees: total 12,000; California 11,560. Headquarters: 707 Wilshire Blvd., Los Angeles 90017. Chairman, president and chief executive: William E. B. Siart. 1985 rank: 5. **NYSE, PSE** as First Interstate Bancorp

5 **Union Bank** (1914) Ranks 31st nationally in deposits. Operates 37 offices statewide and offers complete financial/trust services. Subsidiaries: Market Investment Services Corp., StanChart Business Credit, StanChart Equities, StanChart Export Trading Co., StanChart Real Estate Investment Advisors Inc., Union Venture Corp. and UnionBanc Leasing Corp. Wholly owned by Standard Chartered PLC, London; affiliated with Standard Chartered Bank offices throughout U.S. and a member of international Standard Chartered Bank Group. **Assets:** $9.04 billion year-end 1985 ($7.97 billion in 1984). Deposits: $7.01 billion ($5.94 billion). Net income: $47.1 million ($44.4 million). Employees: total 4,800; California same. Headquarters: 445 S. Figueroa St., Los Angeles 90071. Chairman and president: John F. Harrigan. Chief executive: Jack A. Frazee. 1985 rank: 6.

6 **California First Bank** (1953) Ranks 57th nationally in deposits. The Bank of Tokyo Ltd., Japan, owns 76.8%. Operates 134 branches in California, four overseas. Subsidiaries include: Bankers Commercial Corp., Cal First Properties Inc., CFB Venture Capital Corp., California First Capital Management and California First Discount Brokerage. **Assets:** $5.40 billion year-end 1985 ($5.00 billion in 1984). Deposits: $4.70 billion ($4.43 billion). Net income: $25.6 million or $2.26 a share ($21.4 million or $1.99). Employees: total 4,000; California 3,940. Headquarters: 350 California St., San Francisco 94104. Chairman: Toshio Nagamura. President and chief executive: Seishichi Itoh. 1985 rank: 7. **OTC**

7 **The Bank of California National Assn.** (1864) Ranks 107th nationally in deposits. Operates 16 branches in California, three in Washington and one in Oregon; also operates overseas branches in London, Manila, Nassau and Tokyo; and representative offices in Taipei, Cebu City, Kuala Lumpur, Sao Paulo, Seoul and Bangkok; and one international banking office in New York. Owned by BanCal Tri-State Corp. which is a wholly owned subsidiary of Mitsubishi Bank Ltd. **Assets:** $3.58 billion year-end 1985 ($3.34 billion in 1984). Deposits: $2.52 billion ($2.39 billion). Net income: $5.4 million (loss of $20.5 million). Employees: 2,240; California 1,550. Headquarters: 400 California St., San Francisco 94104. Chairman, president and chief executive: Osamu Yamada. 1985 rank: 8.

8 **Lloyds Bank California** (1961) Ranks 106th nationally in deposits. Operates 91 branches in California. Majority owned by Lloyds Bank Plc., London. **Assets:** $3.02 billion year-end 1985 ($2.75 billion in 1984). Deposits: $2.54 billion ($2.36 billion). Net income: $12.4 million or $8.33 a share ($10.5 million or $7.09). Employees: total 2,490; California same. Headquarters: 612 S. Flower St., Los Angeles 90017. Chairman: Stafford R. Grady. President and chief executive: Frank E. Jones. 1985 rank: 10.

9 **The Sumitomo Bank of California** (1953) Ranks 99th nationally in deposits. Operates 45 branches in California with an overseas office in Nassau. Offers complete banking services plus international banking operations. **Assets:** $2.91 billion year-end 1985 ($2.75 billion in 1984). Deposits: $2.67 billion ($2.47 billion). Net income: $12.9 million or $2.16 a share ($10.7 million or $1.95). Employees: total 1,680; California same. Headquarters: 320 California St., San Francisco 94104. President and chief executive: Teruhisa Shimizu. 1985 rank: 9. **OTC**

10 **City National Bank** (1954) Ranks 142nd nationally in deposits. Operates 24 branches in Southern California. Majority owned by City National Corp. (see holding companies). **Assets:** $2.47 billion year-end 1985 ($2.22 billion in 1984). Deposits: $1.99 billion ($1.80 billion). Net income: $24.2 million or $2.64 a share ($19.8 million or $2.17, restated). Employees: total 2,140; California 2,130. Headquarters: 400 N. Roxbury Dr., Beverly Hills 90210. Chairman and chief executive: Bram Goldsmith. President: Alexander L. Kyman. 1985 rank: 11. **OTC** as City National Corp.

SAVINGS & LOANS

1 **American Savings and Loan Assn.** (1922) Ranks third nationally in deposits. Principal operating subsidiary of Financial Corp. of America (see holding companies). Has 135 retail branches and 21 loan production offices. Offices: 156. **Assets:** $27.36 billion year-end 1985 ($28.48 billion in 1984). **Deposits:** $17.43 billion ($20.33 billion). Net income: see holding company. Employees: total 5,330; California same. Headquarters: 343 E. Main St., Stockton 95201. Chairman, president and chief executive: William J. Popejoy. 1985 rank: 1. **NYSE, PSE** as Financial Corp. of America

2 **Home Savings of America** (1889) Ranks first nationally in deposits. Operates nearly 300 savings branches and 70 mortgage lending offices in seven states: California, Florida, Texas, Missouri, Illinois, Ohio and New York. Non-California branches operate under name of Savings of America. Ahmanson Mortgage Co. subsidiary originates mortgage loans from 15 offices in another 11 states. Principal subsidiary of H.F. Ahmanson & Co. (see holding companies). Offices: 296. **Assets:** $26.52 billion year-end 1985 ($23.67 billion in 1984). Deposits: $19.47 billion ($18.59 billion). Net income: $226.6 million ($57.0 million). Employees: total 7,500; California 5,690. Headquarters: 1001 Commerce Dr., Irwindale 91706. Chairman and chief executive: Richard H. Deihl. President: Mario J. Antoci. 1985 rank: 2. **NYSE, PSE** as H.F. Ahmanson & Co.

3 **Great Western Savings and Loan Assn.** (1919) Ranks second nationally in deposits. Operates largest branch network of any savings institution in California. Principal subsidiary of Great Western Financial Corp. (see holding companies). Offices: 258. **Assets:** $25.05 billion year-end 1985 ($23.05 billion in 1984). Deposits: $17.67 billion ($16.93 billion). Net income: $203.9 million ($101.3 million). Employees: total 8,400; California 5,480. Headquarters: 8484 Wilshire Blvd., Beverly Hills 90211. Chairman and chief executive: James F. Montgomery. President: Robert B. Holmes. 1985 rank: 3. **NYSE, PSE** as Great Western Financial Corp.

4 **California Federal Savings and Loan Assn.** (1925) Ranks fourth nationally in deposits. Has offices in California, Florida, Georgia and Nevada. Subsidiaries include: Cal Fed Enterprises, Cal Fed Syndications, Cal Fed Consultants, Cal Fed Insurance Agency, Plaza Builders, California Thrift & Loan and Cal Fed Mortgage. Offices: 203. **Assets:** $18.20 billion year-end 1985 ($17.15 billion in 1984). Deposits: $13.05 billion ($14.33 billion). Net income: $115.4 million ($56.1 million). Employees: total 4,890; California 4,040. Headquarters: 5670 Wilshire Blvd., Los Angeles 90036. Chairman: Robert R. Dockson. Chief executive: George P. Rutland. President: David J. Reed Jr. 1985 rank: 4. **OTC** as CalFed Inc.

5 **Glendale Federal Savings and Loan Assn.** (1934) Ranks sixth nationally in deposits. A diversified financial and real estate services corporation. Has authorized branches in California and Florida and operates subsidiaries in ten states. Principal subsidiary of GLENFED Inc. (see holding companies). Offices: 191. **Assets:** $14.75 billion year-end 1985 ($11.66 billion in 1984). Deposits: $10.98 billion ($8.90 billion). **Net income:** $69.2 million or $3.28 a share ($50.2 million or $2.39). Employees: total 4,800; California 3,350. Headquarters: 700 N. Brand Blvd., Glendale 91209. Chairman: Raymond D. Edwards. President and chief executive: Norman M. Coulson. 1985 rank: 5. **NYSE** as GLENFED Inc.

HOLDING COMPANIES

1 **BankAmerica Corp.** (1968) Bank holding company which owns Bank of America National Trust & Savings Assn. (see banks). Other subsidiaries include a family of financial service companies

engaged in leasing, discount brokerage, data processing, consumer lending and investment advisory services. **Assets:** $118.54 billion year-end 1985 ($117.68 billion in 1984). Net income: loss of $337.2 million or $2.68 a share (profit of $345.5 million or $1.77). Employees: total 83,300; California not available. Headquarters: 555 California St., San Francisco 94104. Chairman: Leland S. Prussia. President and chief executive: Samuel H. Armacost. 1985 rank: 1. **NYSE, PSE**

2 **Security Pacific Corp.** (1971) Major subsidiary is Security Pacific National Bank (see banks). Other subsidiaries, domestic and international (over 1,100 offices), specialize in consumer and commercial finance, discount brokerage, mortgage banking, leasing, venture capital, pension fund management, investment banking, merchant banking, insurance, bond brokerage and other financial services. **Assets:** $53.50 billion year-end 1985 ($46.12 billion in 1984). Net income: $322.8 million or $4.35 a share ($291.0 million or $3.96). Employees: total 30,901; California not available. Headquarters: 333 S. Hope St., Los Angeles 90071. Chairman and chief executive: Richard J. Flamson III. President: George F. Moody. 1985 rank: 2. **NYSE, PSE**

3 **First Interstate Bancorp** (1957) Owns 22 banks with 942 offices in 11 western states and 34 offices overseas. Franchising has extended First Interstate's territory to Alaska, Hawaii, Iowa and Wisconsin. Other subsidiaries engage in bank card operations, capital markets, data processing services, discount brokerage services, investment counseling, merchant banking, mortgage banking and venture capital. **Assets:** $48.99 billion year-end 1985 ($45.54 billion in 1984). Net income: $313.1 million or $6.84 a share ($276.3 million or $6.16). Employees: total 34,300; California 12,000. Headquarters: 707 Wilshire Blvd., Los Angeles 90017. Chairman and chief executive: Joseph J. Pinola. President: Edward M. Carson. 1985 rank: 3. **NYSE, PSE**

4 **Wells Fargo & Co.** (1969) Bank holding company which owns Wells Fargo Bank National Assn. (see banks), Well Fargo Ag Credit, Wells Fargo Business Credit, Wells Fargo Credit Corp., Wells Fargo Investment Advisors, Wells Fargo Leasing Corp., Wells Fargo Realty Advisors and Central Western Insurance Co. **Assets:** $29.43 billion year-end 1985 ($28.18 billion in 1984). Net income: $190.0 million or $8.30 a share ($169.3 million or $6.85). Employees: total 14,000; California not available. Headquarters: 420 Montgomery St., San Francisco 94163. Chairman and chief executive: Carl E. Reichardt. President: Paul Hazen. 1985 rank: 5. **NYSE, PSE**

5 **Financial Corp. of America** (1968) Principal operation is in the savings and loan industry. Major subsidiary is American Savings and Loan Assn. (see S&Ls). **Assets:** $27.37 billion year-end 1985 ($28.52 billion in 1984). Net income: $53.3 million or $1.01 a share (loss of $590.5 million or $15.53). Employees: total 5,330; California same. Headquarters: 18401 Von Karman, Irvine 92715. Chairman, president and chief executive: William J. Popejoy. 1985 rank: 4. **NYSE, PSE**

6 **H.F. Ahmanson & Co.** (1928) Residential real estate-oriented financial services holding company whose principal subsidiary is Home Savings of America (see S&Ls). Other subsidiaries provide insurance, real estate-related financial services, discount brokerage and support services to Home Savings of America customers. **Assets:** $27.23 billion year-end 1985 ($24.31 billion in 1984). Net income: $220.8 million or $7.89 a share ($54.6 million or $1.96). Employees: total 6,530; California 6,260. Headquarters: 3731 Wilshire Blvd., Los Angeles 90010. Chairman: William H. Ahmanson. President and chief executive: Richard H. Deihl. 1985 rank: 6. **NYSE, PSE**

7 **Great Western Financial Corp.** (1955) Savings and loan holding company whose principal subsidiary is Great Western Savings and Loan Assn. (see S&Ls). Also operates more than 678 offices nationwide, engaged in savings and loan activities, consumer finance, insurance underwriting, commercial leasing, real estate brokerage and other financial services. **Assets:** $25.47 billion year-end 1985 ($23.55 billion in 1984). Net income: $201.7 million or $5.02 a share ($99.5 million or $2.75). Employees: total 8,640; California 5,730. Headquarters: 8484 Wilshire Blvd., Beverly Hills 90211. Chairman and chief executive: James F. Montgomery. President: Robert B. Holmes. 1985 rank: 7. **NYSE, PSE**

8 **CalFed Inc.** (1925) Diversified financial services holding company whose principal subsidiary is California Federal Savings and Loan Assn. (see S&Ls). Also involved in trust services, real estate development and syndication, property management, mortgage banking, consumer finance, insurance, pension plan administration, commercial banking and securities brokerage. **Assets:** $19.00 billion year-end 1985 ($17.70 billion in 1984). Net income: $134.7 million or $6.02 a share ($69.0 million or $2.87). Employees: total 5,790; California 4,900. Headquarters: 5670 Wilshire Blvd., Los Angeles 90036. Chairman: Robert R. Dockson. President and chief executive: George P. Rutland. 1985 rank: 9. **NYSE**

9 **GLENFED Inc.** (1985) A diversified financial and real estate services corporation. Parent company of Glendale Federal Savings & Loan Association (see S&Ls), with nearly 200 branch offices in California and Florida. **Assets:** $14.75 billion year-end 1985 (not available). Net income: $10.98 billion or $3.28 a share (not available). Employees: total 4,800; California 3,350. Headquarters: 700 N. Brand Blvd., Glendale 91209. Chairman and chief executive: R. D. Edwards. President: N. M. Coulson. 1985 rank: none. **NYSE**

10 **Transamerica Corp.** (1928) Diversified insurance and financial services company. Principal subsidiaries include: Transamerica Occidental Life Insurance Co. (see insurance), Transamerica Insurance Co. (see insurance), Transamerica Title Insurance, Transamerica Financial Services, Transamerica Interway. **Assets:** $13.75 billion year-end 1985 ($11.83 billion in 1984). Net income: $145.8 million or $2.15 a share ($171.5 million or $2.64). Employees: total 15,000; California 11,000. Headquarters: 600 Montgomery St., San Francisco 94111. Chairman and chief executive: James R. Harvey. President: Frank C. Herringer. 1985 rank: 10. **NYSE, PSE**

11 **Golden West Financial Corp.** (1959) Owns World Savings and Loan Assn. (see S&Ls) which operates 194 offices in California, Colorado, Texas and Kansas. **Assets:** $12.13 billion year-end 1985 ($10.56 billion in 1984). Net income: $160.0 million or $5.14 per share ($80.9 million or $2.61). Employees: total 2,420; California 1,800. Headquarters: 1901 Harrison St., Oakland 94612. Chairman and chief executive: Herbert M. Sandler. President and chief executive: Marion O. Sandler. 1985 rank: 11. **NYSE, PSE**

12 **Gibraltar Financial Corp.** (1959) (Formerly Gibraltar Financial Corp. of California) Owns Gibraltar Savings (see S&Ls), Gibraltar Savings of Washington and other financial service companies. **Assets:** $9.86 billion year-end 1985 ($9.11 billion in 1984). Net income: $38.9 million or $2.34 a share ($33.5 million or $2.03). Employees: total 2,560; California 2,030. Headquarters: 9111 Wilshire Blvd., Beverly Hills 90210. Chairman, president, and chief executive: Herbert J. Young. 1985 rank: 13 (Gibraltar Financial Corp. of California). **NYSE, PSE**

13 **First Executive Corp.** (1969) Holding company engaged in life insurance business nationally through its principal insurance subsidiaries Executive Life Insurance Co. (see insurance) and Executive Life Insurance Co. of New York. **Assets:** $8.74 billion year-end 1985 ($6.32 billion in 1984). Net income: $123.5 million or $2.05 a share ($85.7 million or $1.53). Employees: total 750; California 630. Headquarters: 11444 W. Olympic Blvd., Los Angeles 90064. Chairman, president and chief executive: Fred Carr. 1985 rank: 16. **OTC**

14 **Farmers Group Inc.** (1927) Insurance holding company and attorney-in-fact for three inter-insurance exchange members of the Farmers Insurance Group of Companies. Principal affiliates and subsidiaries include Farmers, Truck and Fire Insurance Exchanges (see insurance), Farmers New World Life, Investors Guaranty Life and Ohio State Life Insurance Cos. **Assets:** $8.33 billion year-end 1985 ($7.18 billion in 1984). Net income: $184.6 million or $5.43 a share ($185.9 million or $5.48). Employees: total 13,950; California 5,410. Headquarters: 4680 Wilshire Blvd., Los Angeles 90010. Chairman and chief executive: Richard G. Lindsley. President: Leo E. Denlea Jr. 1985 rank: 15. **OTC**

15 **Imperial Corp. of America** (1956) Owns three savings and loan associations operating 114 offices in California, Kansas and Colorado. Major subsidiary is Imperial Savings of California (see S&Ls). Other subsidiaries are ICA Insurance and ICA Mortgage Corp., a nationwide mortage banking company. **Assets:** $8.05 billion year-end 1985 ($8.46 billion in 1984). Net income: loss of $16.5 million or $1.16 a share (profit of $10.0 million or 71 cents). Employees: total 2,690; California 2,120. Headquarters: 8787 Complex Dr., San Diego 92123. Chairman: Victor N. Goulet. President and chief executive: Kenneth J. Thygerson. 1985 rank: 14. **NYSE, PSE**

Insurance Companies

FIRE AND CASUALTY

1 **Fireman's Fund Insurance Cos.** (1863) Group of 18 property-liability underwriters operating throughout the United States and internationally. Owned by Fireman's Fund Corp. (see holding companies). **Assets:** $7.99 billion year-end 1985 ($7.12 billion in 1984, restated). Net premiums written: $2.91 billion ($2.83 billion, restated). Net income: loss of $44.3 million (loss of $5.9 million, restated). Employees: total 12,100; California 4,550. Headquarters: 777 San Marin Dr., Novato 94998. Chairman, president and chief executive: William M. McCormick. 1985 rank: 1. **NYSE, PSE** as Fireman's Fund Corp.

2 **Farmers Insurance Exchange** (1928) With its affiliated group of 12 automobile, fire and casualty insurers, operates principally in California (5 regional offices) and 25 western states (11 regional offices). **Assets:** $5.68 billion year-end 1985 ($4.90 billion in 1984). Direct premiums written: $4.10 billion ($3.47 billion). Consolidated statutory net income: loss of $74.5 million (profit of $878,073). Employees: total 4,830; California 1,980. Headquarters: 4680 Wilshire Blvd., Los Angeles 90010. Chairman and chief executive: Richard G. Lindsley. President: Leo E. Denlea Jr. 1985 rank: 2. **OTC** as Farmers Group Inc.

3 **State Compensation Insurance Fund** (1914) Operates 19 district offices located throughout California, each organized to provide full workers' compensation services to clients. **Assets:** $2.08 billion year-end 1985 ($1.88 billion in 1984). Direct premiums written: $743.5 million ($606.3 million). Net income: $230.3 million ($228.5 million). Employees: total 2,290; California same. Headquarters: 1275 Market St., San Francisco 94103. Chairman: Ronald T. Rinaldi. President: E. A. Sandberg. 1985 rank: 3.

4 **Transamerica Insurance Co.** (1911) Owned by Transamerica Corp. (see holding companies). Together with affiliates, writes almost every form of insurance. **Assets:** $2.07 billion year-end 1985 ($1.56 billion in 1984). Direct premiums written: $1.00 billion ($833.1 million). Net income: loss of $62.1 million (loss of $37.7 million). Employees: total 4,320; California 1,870. Headquarters: 1150 S. Olive St., Los Angeles 90015. President and chief executive: Gerald A. Isom. 1985 rank: 4. **NYSE, PSE** as Transamerica Corp.

5 **Argonaut Insurance Co.** (1957) Together with its five insurance subsidiaries, writes workers compensation, liability and fire insurance throughout the United States. Owned by Teledyne Inc. (see industrials). **Assets:** $1.58 billion year-end 1985 ($1.47 billion in 1984). Direct premiums written: $333.8 million ($331.3 million). Consolidated statutory net income: $65.7 million ($56.3 million). Employees: total 950; California 460. Headquarters: 250 Middlefield Rd., Menlo Park 94025. Chairman: George A. Roberts. President: James E. Webster. 1985 rank: 5. **NYSE, PSE** as Teledyne Inc.

LIFE INSURANCE

1 **Executive Life Insurance Co.** (1961) Markets individual and group life and annuity products. Licensed in all states and the District of Columbia with its subsidiary, Executive Life Insurance Co. of New York. Owned by First Executive Corp. (see holding companies). Assets: $8.49 billion year-end 1985 ($6.25 billion in 1984). Insurance in force: $35.30 billion ($28.28 billion). Net income: $123.5 million ($85.7 million). Employees: total 750; California: 630. Headquarters: 11444 W. Olympic Blvd., Los Angeles 90064. Chairman, president and chief executive: Fred Carr. 1985 rank: 1. **OTC** as First Executive Corp.

2 **Pacific Mutual Life Insurance Co.** (1868) Offers a complete portfolio of participating individual life insurance, individual annuities, group life and accident and health insurance, group pensions and asset management services. Operates in all states except New York. Subsidiaries are engaged in investment counseling and pension and insurance administrative services. **Assets:** $4.62 billion year-end 1985 ($3.70 billion in 1984). Insurance in force: $26.95 billion ($23.03 billion). Statutory net income: $15.4 million ($25.3 million). Employees: total 2,530: California 1,990. Headquarters: 700 Newport Center Dr., Newport Beach 92600. Chairman and chief executive: Walter B. Gerken. President: Harry G. Bubb. 1985 rank: 2.

3 **Transamerica Occidental Life Insurance Co.** (1906) Operates 1,052 sales and service offices in the United States, Canada, Guam, Virgin Islands, Hong Kong and Puerto Rico. Other overseas operations conducted through Occidental International Enterprises Inc. Owns Transamerica Life Insurance Co. of Canada and Transamerica Occidental Life Insurance Co. of Illinois. Owned by Transamerica Corp. (see holding companies). **Assets:** $4.26 billion year-end 1985 ($3.22 billion in 1984, restated). Insurance in force: $137.14 billion ($125.67 billion). Net income: $96.3 million ($84.4 million). Employees: total 4,500; California 4,140. Headquarters: 1150 S. Olive St., Los Angeles 90015. Chairman, president and chief executive: David R. Carpenter. 1985 rank: 3. **NYSE, PSE** as Transamerica Corp.

4 **Transamerica Life Insurance & Annuity Co.** (1966) Operates in Washington, D.C., Guam, Puerto Rico, Virgin Islands and all states except New York. Underwrites qualified pension and profit-sharing business through eight regional sales offices and sales offices of Transamerica Occidental Life Insurance Co. Owned by Transamerica Corp. (see holding companies). **Assets:** $3.25 billion year-end 1985 ($2.38 billion in 1984). Direct premiums written: $31.4 million ($55.9 million). Net income: $12.7 million ($9.1 million). Employees: total 430; California 390. Headquarters: 1150 S. Olive St., Los Angeles 90015. Chairman: David R. Carpenter. President and chief executive: Gilbert F. Cronin. 1985 rank: 4. **NYSE, PSE** as Transamerica Corp.

5 **California-Western States Life Insurance Co.** (1910) Markets individual and group life insurance products, pension plans, fixed and variable annuities and mutual funds. Wholly owned subsidiary of American General Corp., Houston, TX. **Assets:** $1.04 billion year-end 1985 ($1.02 billion in 1984). Insurance in force: $14.01 billion ($13.68 billion). Statutory net income: $20.7 million ($34.1 million). Employees: total 590; California same. Headquarters: 2020 "L" St., Sacramento 95814. Chairman: Michael J. Poulos. President and chief executive: Robert W. Rever. 1985 rank: 5. **NYSE** as American General Corp.

Utilities

1 **Pacific Telesis Group** (1984) Telecommunications holding company based in San Francisco. Its telephone operating companies, Pacific Bell and Nevada Bell, market a range of telecommunications services to more than 22 million people in California and Nevada. The new companies within PacTel Corporation market a variety of Information Age products and services to customers across the United States and in international markets. **Revenues:** $8.50 billion year-end 1985 ($7.82 billion in 1984). Income: $929.1 million or $9.08 a share ($828.5 million or $8.46). Dividends: $5.72 a share ($5.70). Assets: $19.54 billion. Employees: total 71,490; California 70,430. Headquarters: 140 New Montgomery St., San Francisco 94105. Chairman, president and chief executive: Donald E. Guinn. 1985 rank: 2. **NYSE, PSE**

2 **Pacific Gas and Electric Co.** (1905) Large utility supplying electricity to 3.8 million customers in 47 northern and Central California counties and natural gas to 3.1 million customers in 37 counties. Service area covers about 94,000 square miles. **Revenues:** $8.43 billion year-end 1985 ($7.83 billion in 1984). Income: $1.03 billion or $2.65 a share ($974.9 million or $2.62). Dividends: $1.81 a share ($1.69). Assets: $19.10 billion. Employees: total 29,600; California same. Headquarters: 77 Beale St., San Francisco 94106. Chairman and chief executive: Richard A. Clarke. President: George A. Maneatis. 1985 rank: 1. **NYSE** (common), **ASE** (preferred), **PSE** (both classes)

3 **Southern California Edison Co.** (1909) Public utility primarily engaged in supplying electrical energy in portions to central and Southern California, excluding Los Angeles and certain other cities. Service area covers 50,000 square miles and over nine million people. **Revenues:** $5.17 billion year-end 1985 ($4.90 billion in 1984). Income: $774.1 million or $3.22 a share ($732.4 million or $3.15). Dividends: $2.10 a share ($1.97). Assets: $12.59 billion. Employees: total 17,180; California 16,600. Headquarters: 2244 Walnut Grove Ave., Rosemead 91770. Chairman and chief executive, Howard P. Allen. President: H. Frederick Christie. 1985 rank: 3. **NYSE** (common), **ASE** (preferred), **PSE** (both classes)

4 **Pacific Lighting Corp.** (1886) A holding company whose principal subsidiary is Southern California Gas Co., the nation's largest gas distribution utility. Other major lines of business are oil and gas exploration and land development. **Revenues:** $5.11 billion year-end 1985 ($4.81 billion in 1984). Income: $156.0 million or $3.80 a share ($138.6 million or $3.56). Dividends: $3.36 a share ($3.20). Assets: $4.13 billion. Employees: total 12,550; California 11,730. Headquarters: 810 S. Flower St., Los Angeles 90017. Chairman and chief executive: Paul A. Miller. President: Joseph R. Rensch. 1985 rank: 4. **NYSE** (common), **ASE** (preferred), **PSE** (both classes)

5 **General Telephone Co. of California** (1929) Provides local exchange, access and toll service in 13 operating divisions throughout Southern and Central California. Also markets, installs and maintains unregulated terminal equipment, both inside and outside its franchise territories through GTEL, a wholly owned subsidiary. **Revenues:** $2.44 billion year-end 1985 ($2.21 billion in 1984). Income: $304.5 million ($244.5 million). Assets: $5.10 billion. Employees: total 25,220; California same. Headquarters: One GTE Place, Thousand Oaks 91362. President and chief executive: David E. Anderson. 1985 rank: 5. **OTC** (preferred)

Transportation

1 **Consolidated Freightways Inc.** (1958) Holding company with subsidiaries engaged in motor carrier freight service in the United States and Canada, domestic and international air freight forwarding, international customs brokerage, ocean freight forwarding and container handling. **Revenues:** $1.88 billion year-end 1985 ($1.70 billion in 1984). Income: $79.3 million or $3.10 a share ($74.5 million or $2.81). Dividends: $1.075 a share (97.5 cents). Assets: $1.13 billion. Employees: total 21,700; California 3,000. Headquarters: 3240 Hillview Ave., Palo Alto 94303. Chairman, president and chief executive: Raymond F. O'Brien. 1985 rank: 1. **NYSE, PSE**

2 **Western Air Lines Inc.** (1925) Operates scheduled airline services between 63 airports in 23 states, plus the District of Columbia, the Canadian provinces of British Columbia and Alberta and the Republic of Mexico. **Revenues:** $1.31 billion year-end 1985 ($1.18 billion in 1984). Income: $35.5 million or 86 cents a share (loss of $29.2 million or $1.37). Assets: $951.5 million. Employees: total 10,250; California 5,660. Headquarters: 6060 Avion Dr., Los Angeles 90045. Chairman and chief executive: Gerald Grinstein. President: Robin H. H. Wilson. 1985 rank: 3. **NYSE, PSE**

3 **American President Cos. Ltd.** (1983) Leading containerized cargo transportation company in the Pacific. Largest purchaser of rail transportation in North America. Also major real estate developer in Sacramento, CA. **Revenues:** $1.18 billion ended 12-27-85 ($926.2 million in 1984). Income: $38.5 million or $1.86 a share ($103.5 million or $5.78). Dividends: 50 cents a share (3% stock). Per share figures reflect three-for-two stock split in May 1985. Assets: $1.06 billion. Employees: total 3,000; California 1,000. Headquarters: 1800 Harrison St., Oakland 94612. Chairman, president and chief executive, W. B. Seaton. 1985 rank: 4. **NYSE, PSE**

4 **Tiger International Inc.** (1945) International transportation company engaged in air cargo and trucking through Flying Tigers, a scheduled all-cargo airline, and Warren Transport Inc., a specialized truckload hauler of heavy machinery and other commodities. Sold Hall's MotorTransit Co. and has accounted for this business as a discontinued operation since 12-31-84. Sold management operation of North American Car (railcar services) and intends to liqu[illegible] railcar fleet which has been accounted for as a discontinued operation as of 12-31-83. **Revenues:** $1.15 billion year-end 1985 ($1.21 billion in 1984). Income: loss of $53.6 million or $1.98 a share (loss of $88.9 million or $4.13). Assets: $970.2 million. Employees: total 6,800; California 2,600. Headquarters: 1888 Century Park East, Los Angeles 90067. Chairman, president and chief executive: Robert P. Jensen. 1985 rank: 2. **NYSE, PSE**

5 **PSA Inc.** (1973) A holding company which, through its subsidiaries, is engaged in commercial air transportation, energy sales and production and other related services. Principal subsidiary, Pacific Southwest Airlines, provides airline service to 30 cities in seven western states and Mexico. **Revenues:** $780.0 million year-end 1985 ($689.7 million in 1984). Income: $26.8 million or $3.46 a share ($2.2 million or loss of 90 cents). Dividends: 60 cents a share (60 cents). Assets: $1.05 billion. Employees: total 4,850; California 4,200. Headquarters: 3225 N. Harbor Dr., San Diego 92101. Chairman: J. P. Guerin. President and chief executive: Paul C. Barkley. 1985 rank: 5. **NYSE, PSE**

LEGAL

Prepared by J. & A. GARRIGUES, NEW YORK OFFICE

Current Legislation in Spain

A SUMMARY OF IMPORTANT SPANISH LEGISLATION PUBLISHED BETWEEN SEPTEMBER 6, 1986 AND FEBRUARY 20, 1987

COMMERCIAL

1. Ministry of Economy and Finance. Royal Decree 2020/1986 of August 22, approving the Functioning Regulations of the Liquidating Commission of Insurance Entities. (OSG Oct. 1, 1986).

2. Ministry of Economy and Finance. Order of Aug. 14, 1986 establishing a surveillance on the importation of certain products between Communitary Countries. (OSG Oct. 1, 1986).

3. Ministry of Economy and Finance. Royal Decree 2021/1986 of Aug. 22, adapting the Order Regulation of Private Insurance of Aug. 1, 1985 to the agreements reached with the European Community on the Spanish Accession Treaty. (OSG Oct. 1, 1986).

4. Ministry of Economy and Finance. Royal Decree 2022/1986 of Aug. 29, approving the Regulation of Extraordinary Risks on persons and properties. (OSG Oct. 1, 1986).

5. Ministry of Economy and Finance. Order of Sept. 26, 1986, developing Royal Decree 710/1986 of April 4, creating a second stock market on the Stock Exchange, and amending the conditions for the issuance of fixed rent titles. (OSG Oct. 4, 1986).

6. Ministry of Economy and Finance. Order of Sept. 26, 1986, regulating the access of the Risk-Capital Companies to the Administrative Registry. (OSG Oct. 4, 1986).

7. Ministry of Industry and Energy. Royal Decree 2245/1986 of Oct. 10, approving the Regulation for the execution of Law 11/1986 of March 20 on Patents.

The Regulation has five titles. The first regulates invention patents. The second regulates utility models. The third develops different aspects of the Registry of Patents and the procedure to record a patent on the Registry. The fourth regulates the norms to be applied to the Industrial Property Agents, the requirements for becoming a property agent, and the causes for losing that condition. The fifth title regulates the taxes and the time and way they are to be paid. (OSG Oct. 31, 1986).

8. Ministry of Economy and Finance. Order of Nov. 20, 1986 regulating the representation of foreign banks on the Superior Banking Council. (OSG Nov. 26, 1986).

9. Ministry of Industry and Energy. Royal Decree 2424/1986 of Oct. 10 applying the Agreement on the granting of European patents signed in Munich on Oct. 5, 1983.

Applications for patents can be presented at the Industrial Property Registry and at the Autonomous Communities that have that capacity.

European patents and the application of a European patent that has a deposit date will have the same validity as a national patent and as a national deposit.

Application for a European patent in Spain will receive protection similar to application for a Spanish patent.

10. Ministry of Economy and Finance. Royal Decree 2570/1986 of Dec. 19, amending the Schedule of Customs Duties. (OSG Dec. 24, 1986).

11. Ministry of Economy and Finance. Order of Feb. 3, 1987 on the issuance, negotiation and quotation in Spain of securities named in pesetas and issued by international organisms to which Spain belongs.

The acquisition by Spanish investors of these securities will be considered as a foreign investment. The regulations are those applied to portfolio investments in the Royal Decree of Nov. 7, 1986.

These acquisitions are authorized on general bases, without a previous verification by the administrative authorities. (OSG Feb. 9, 1987).

12. Ministry of Economy and Finance. Royal Decree 184/1987 of Jan. 3, adopting the regulations of the European Economic Community applicable to loan establishments. (OSG Feb. 10, 1987).

ECONOMIC

1. Ministry of Economy and Finmance. Royal Decree 1882/1986 of Aug. 29, regulating the application of articles 85 and 86 of the European Economic Community Treaty. (OSG Sept. 15, 1986).

LABOR

1. Ministry of Relations with the Parliament. Royal Decree 2222/1986 of Oct. 24, regulating the Administrative Registry for Labor Stock Companies.

This Registry is created to execute the final resolution of Law 15/1986 of April 25 on Labor Stock Companies.

The purpose of the Registry is to control the fulfillment of the requirements established by the Law for a Labor Stock Company to be considered as such. It also coordinates the functioning of this Registry with the Mercantile Registry.

2. Ministry of Labor and Social Security. Order of Oct. 23, 1986, developing Royal Decree 716/1986 of March 7, approving the General Regulations for the Collection of the Resources of the Social Security. (OSG Oct. 31, 1986).

EUROPEAN ECONOMIC COMMUNITY

1. Ministry of Justice. Royal Decree 220/1987, of Feb. 20, designating the Minister of Justice as the competent authority for the transfer to the Justice Court of the European Community of Rogatory Commissions.

The Minister also has the authority to propose the privilege of coming before this Court without liability for costs.

INTERNATIONAL

1. Head of State. Organic Law 4/1986 of Nov. 26, authorizing the Spanish ratification of the European Unique Act, signed in Luxembourg on Feb. 17, 1986. (OSG Dec. 2, 1986).

CIVIL

1. Ministry of Justice. Royal Decree 1917/1986 of Aug. 20, amending several articles of the Civil Registry Regulations.

The amendment of the Civil Code in relationship, marriage, nationality, disability and legal custody matters has brought about the annulment of several articles of the Civil Registry Regulation. This Royal Decree amends that situation, and includes several solutions proposed by the General Directorate of the Property Registry. (OSG Sept. 19, 1986).

2. Ministry of Justice. Royal Decree 2003/1986 of Sept. 19, approving the Regulations of the corps of Officials, Assistants and Agents of the Justice Administration. (OSG Sept. 30, 1986).

3. Head of State. Law 1/1987 of Feb. 12, extending certain rural lease agreements and regulating the terms of access to the property. (OSG Feb. 13, 1986).

ADMINISTRATIVE

1. Ministry of Economy and Finance. Royal Decree 2568/1986 of Nov. 28, approving the Regulations for the Organization, Functioning and Legal Regulation of the Local Entities.

These regulations brought up to date the by-laws relating to members of the Local Corporations, the neighborhoods, and citizen participation in the same. (OSG Dec. 22, 1986).

FOREIGN INVESTMENTS

1. Ministry of Economy and Finance. Royal Decree 2577/1986 of Sept. 25

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Télex: 76 291

03600 ELDA
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Télex: 66769

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approving the Regulations on Foreign Investments in Spain. (OSG Oct. 7 1986).

These regulations contain the principles and policies of the Community norms on capital movements, as well as certain changes of a purely technical nature.

Foreign investments in Spain may be held by:

a) Private foreign legal entities.
b) Foreign individuals and Spanish citizens not resident in Spain.
c) The establishments and branches on Spanish territory of foreign private legal entities or individuals not resident in Spain.

Foreign investments may be carried out in the following ways:

a) Direct Investments
b) Portfolio Investments
c) Real Estate Investments
d) Other forms of Investment

GENERAL

1. Ministry of Justice. Resolution of Aug. 26, 1986 of the General Directorate of the Property Registry approving the forms of the registration books and the forms of their mobile sheets, and providing new instructions on how to use them. (OSG Sept. 8, 1986).

2. Head of State. Instrument of Accession of Spain to the European Patent Agreement, signed in Munich on Oct. 5, 1973. (OSG Sept. 30, 1986).

3. Head of State. Law 21/1986, of Dec. 23 on the State General Budget for 1987. (OSG Dec. 24, 1986).

4. Ministry of Economy and Finance. Royal Decree 2641/1986 of Dec. 30, approving the Regulations on the Insurance of Civil Liability produced by the usage and circulation of motor vehicles. (OSG Dec. 31, 1986).

5. Ministry of Justice. Instruction of Feb. 5, 1987 of the General Directorate of the Property Registry and Notaries on the accessibility of the Property Registry.

The books of the Property Registry will be shown to those who have a justified interest in them. The registrar can waive the justification of that interest when the obtaining of the information requested is part of the professional activities of the person or entity making the request. (OSG Feb. 13, 1987).

FISCAL

1. Ministry of Economy and Finance. Resolution of June 30, 1986 of the General Auditory of the State Administration regulating the accounting of the VAT (Value Added Tax) in the autonomous organizations. (OSG Sept. 6, 1986).

2. Ministry of Economy and Finance. Royal Decree 1850/1986 of Aug. 22, regulating the application of the Privileges and Convention of the European Communities, dated April 8, 1965, in relation to the VAT: The delivery of goods to or services performed for the European Community for their official VAT when the value of the goods or services is more than 50,000 pesetas. (OSG Sept. 12, 1986).

3. Ministry of Economy and Finance. Royal Decree 1851/1986 of Aug. 22, regulating the application of the VAT on the delivery of goods or services in a diplomatic or consular relationship. (OSG Sept. 12, 1986).

4. Ministry of Economy and Finance. Instrument of ratification of the Agreement between the Spanish and Soviet Governments to avoid double taxation on income and patrimony taxes, signed in Madrid on March 1, 1985. (OSG Sept. 22, 1986).

5. Ministry of Economy and Finance. Royal Decree 2105/1986 of Sept. 25, regulating the franchise applicable to certain imports of goods and to exports of goods carried out by travellers. (OSG Oct. 13, 1986).

6. Ministry of Economy and Finance. Royal Decree 2696/1986 of Dec. 19, regulating the granting of tax on benefits to the Labor Stock Companies. (OSG Jan. 3, 1987).

FAIRS AND EXHIBITIONS

Spain Hosts Children's Fashion Show

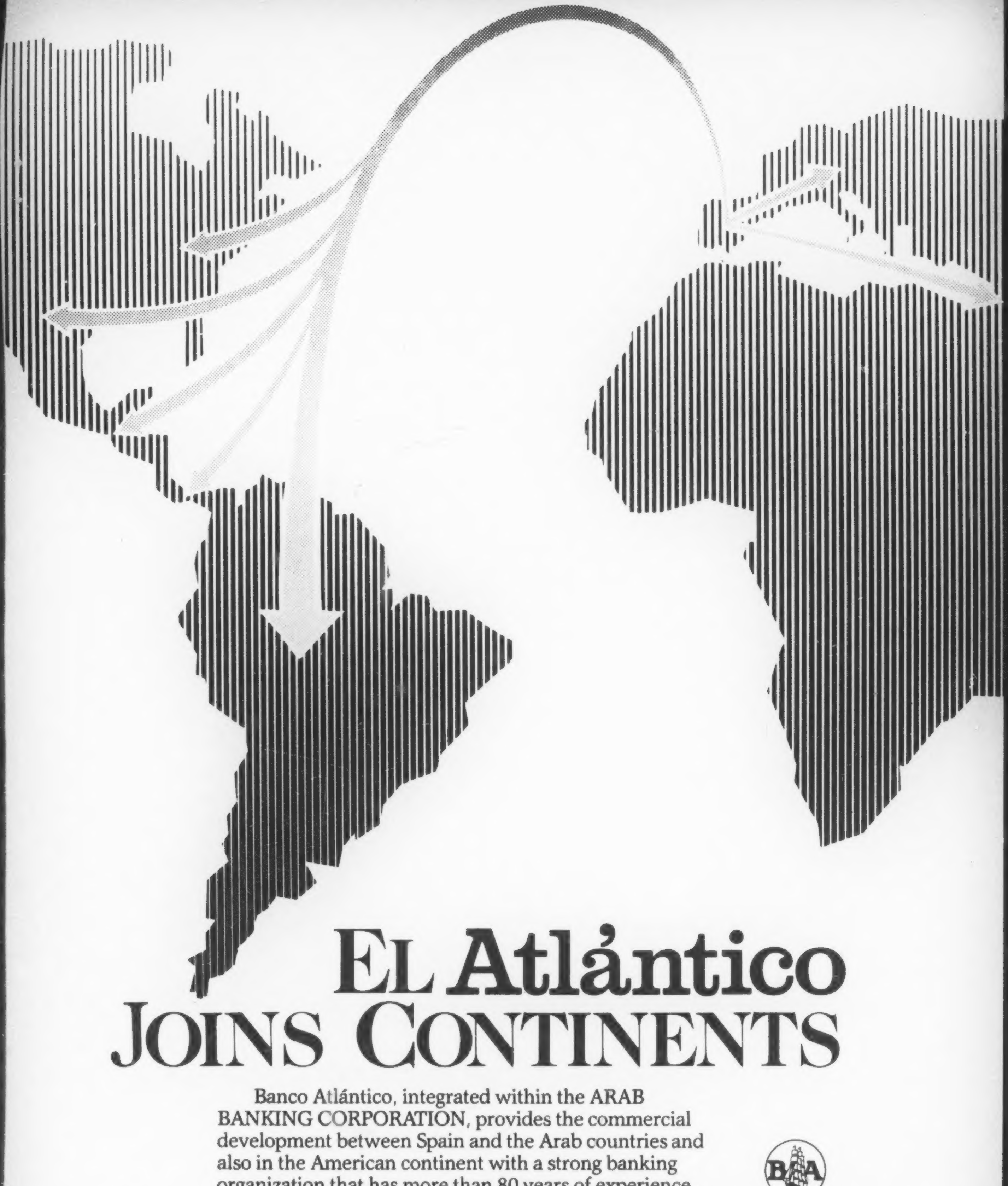
The Spanish Pavilion at the recent International Kids Fashion Show held at the Jacob K. Javits Convention Center in New York hosted three shows of children's wear from Spain daily from March 29th through April 1st. Richly tailored sport looks predominated rather than pastels and frills, with a concentration on natural fibers, echoing the preferences of fashion-conscious adults.

The Spanish tradition of producing fine children's wear is centuries old, but it is only recently that the industry has begun exporting to the United States. In the past five years Spain has established a reputation here as a fashion leader in children's apparel.

Pale plaid raincoat in tones of blue and aqua, lined with plush for extra warmth. It features a hood and comes with beret, scarf and gloves—made in Spain.

Rich red acrylic knit features the latest style elements: the oversized sweater, matching miniskirt, and leggings—black with small multi-colored pattern—made in Spain.

Classic navy blue plaid with white piqué collar has up-to-the-minute sophistication with new mid-calf length for little girls, and a very adult two-piece design—made in Spain.



EL Atlántico JOINS CONTINENTS

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The Pride and Glory of Rioja

RIOJA IS PROUD OF ITS WINES, AND 'ARBOR' IS DEDICATED TO MAKING SURE THAT PRIDE IS JUSTIFIED

THE LA RIOJA Region comprises the entire area which prior to the formation of the autonomous regions was the province of Logroño, a part of the old Kingdom of Castilla. It has an area of 5,035 square kilometers, approximately one percent of Spain's total area, and a population of 250,000. It is situated in the valley of the Ebro River, which waters the area together with its seven tributaries, one of which, the Río Oja, gives the area its name. The fertile land produces grapes, other fruits, and cereals. Its viticultural industry is renowned throughout the world, and it is said that for Rioja its wine is "its best glory and its greatest pride."

The Ebro river bed forms the northern limit of the region, where the Obrerenes, Cellorigo, Toloño and Cantabria mountains shelter La Rioja from the humid northeast winds. To the south, the mountains of the Iberico range called Demanda, Cameros, Urbion and Cebollera form a separation from the highlands of the Soria area. Lying between the two mountain ranges in the north of Spain, La Rioja is in a funnel formed by the bed of the Ebro which brings upstream the beneficial influences of the Mediterranean climate.

La Rioja is a land of history, part of the birthplace of Castillian, the language of Spain, and on the passage of a European cultural current—the Path of Santiago.

DENOMINACION DE ORIGEN "RIOJA": PRODUCTION

There are now 40,643 hectares of vineyards in production in the area under the jurisdiction of the Denominación de Origen Rioja (1 hectare 2.47 acres). Another 5,452 hectares will be in production next season, for a total of 46,095 hectares of cultivated area. 38% of the total now in production was planted before 1950, 37% between 1950 and 1970, and 25% from 1970 to the present.

Seven grape varieties are allowed in the Denominación de Origen: Red wines: Tempranillo, Garnacha (Red), Graciano and Mazuelo; white wines: Viura, Garnacha (White), and Malvasia.

ELABORATION AND COMMERCIALIZATION STRUCTURE

1. The estimated elaboration and storage capacity is 4,474,610 hectoliters (1 hectoliter = 26.417 gallons).

2. The estimated aging capacity is 839,040 hectoliters in 372,641 oak casks.

3. Over an annual estimated average production of 1,400,000 hectoliters, the elaboration percentage is distributed as follows:

Harvesters - 427,000 Hl. (30.50%)
Cooperatives - 502,000 Hl. (35.87%)
Wholesalers - 77,700 Hl. (5.55%)
Winegrowers - 393,100 Hl. (28.08%)

4. This production is 74.50% Red, 13.38% Rose, and 12.12% White.

5. The commercialized wine is divided as follows:

CLASS	Average Period 1979/1985
Without aging	54.78%
Aging	35.34%
Reserva	6.51%
Gran Reserva	3.37%

6. Commercialization data:

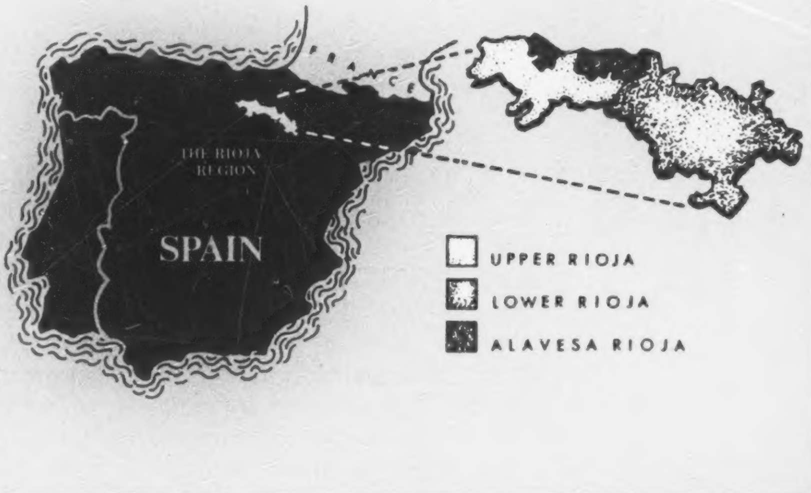
Period	Bottled	In bulk
1976/1980	57.75%	42.25%
1981/1985	73.20%	26.80%

8. The most important export markets are: The United Kingdom, Denmark, Holland, West Germany, Belgium, France, Switzerland, the United States, Sweden, and Canada.

La Agrupación de Artesanos Bodegueros de Rioja, "ARBOR," was officially established on February 20th, 1984, by a select number of bodegas whose activity is, exclusively, the aging and exporting of high quality Rioja wines under the "Consejo Regulador de la Denominación de Origen Rioja."

ARBOR considers it a fundamental purpose to take all necessary measures for the defense of the quality of Rioja wine. This is the main reason for improving and maintaining its image, and thereby attaining both security of quality and the improvement of growing methods in the future.

The general objectives of ARBOR are:
—To get the unity and cooperation



of the employers of the sector as a positive value;
- —To work in defense of the interests and plans of the members;
- —To create appropriate measures for the implementation of these services;
- —To establish and encourage contacts and cooperation between organizations of similar character;
- —To show the world the image of the associates and to spread their reality through the mass media.

Specifically, the purposes of the Association are:
- —To encourage investigation into the improvement of the quality of the vineyards;
- —To study and improve viticultural methods;
- —To promote qualitative and quantitative control of the wine produced.
- —To institute legal procedures in accordance with International Viticultural Regulations; and
- —To develop all kinds of commercial promotions and informative campaigns for group members.

ABOUT ARBOR

The members of ARBOR do not deal in wines in bulk or in unaged bottled wines, only in aged, Reserva and Gran Reserva wines.

The participation volume of our associated cellars is as follows:

Year	Home Market	Export Market	Total of the Denomination
1983	9.13%	16.61%	10.86%
1984	9.47%	16.80%	11.05%
1985	11.32%	17.94%	13.02%

CONSTANTIA CAUSA

Agrupación de Artesanos Bodegueros de Rioja

ARBOR

ASSOCIATION MEMBERS:

BODEGAS BERONIA, situated next to Ollauri Village by the side of Mendigorria mountain in Rioja Alta (High Rioja), is surrounded by vineyards in the Tempranillo, Garnacha, Graciano and Viura varieties. It takes its name from the Berones, the original inhabitants, in the third century B.C., of the region now known as La Rioja. Its wines are commercialized under the brands BERONIA and BERON.

BODEGAS CASTILLO DE CUZCURRITA is situated in the castle of that name, surrounded by a large park which is an extension of the vineyards. There is proof of the bodega's existence in 1774, but it was in 1972 when a corporation was constituted to promote the elaboration, aging and reservas from the different vintages which are commercialized under the brands CONDE DE ALACHA and CASTILLO DE CUZCURRITA.

BODEGAS CORRAL is situated in the village of Navarrete. It originated as the cellars and vineyards of the monks of Santa Maria la Real of Najera, in the village of Sojuela. The present cellar is located in the old vineyards of the famous Hospital-Inn of San Juan de Arce, in one of the vertices of a triangle formed by Cenicero, Navarrete and Fuenmayor. Commercialized under the brands DON JACOBO and CORRAL.

THE CITY OF LOGROÑO, CAPITAL OF THE PROVINCE, SEEN FROM ACROSS THE EBRO RIVER.

BODEGAS MARQUES DE CACERES. In 1960, a group of professionals specializing in the elaboration, aging and commercialization of great Bordeaux wines in the Haut-Medoc (where they own Camensac and Larose Trintaudon Chateaux) decided to establish this cellar in Rioja for the aging of top wines. Commercialized under the brand MARQUES DE CACERES.

BODEGAS MONTECILLO. Originated in 1874 when founder Celestino Navajas decided to elaborate and bottle his wines at his Fuenmayor cellar. In 1973 the property passed from the Navajas family to the Osborne Group, who continued in the same tradition of quality and image, as well as building new installations. Commercialized under the brands VIÑA CUMBRERO and VIÑA MONTY.

BODEGAS MUGA was founded by Isaac Muga, father of the present owners. At his death in 1969 his son Isaac took charge of the management, and in 1971 Muga became a corporation, although the majority of the shares belong to the Muga family. The present cellar is situated in a classic stone building in Haro. Commercialized under the brands MUGA PRADO ENEA, and (for Cava's) CONDE DE HARO.

COMPAÑIA INTERNACIONAL DE VINOS, situated in Cenicero, with modern installations for the elaboration of high quality wines, is part of the Osborne Group. Most of its production is for the export market (Denmark, Switzerland, France, Canada, United States, etc.). Its production is 90% red wine and 10% white. Commercialized under the brand BRIGADIER MIRANDA.

CVNE. COMPAÑIA VINICOLA DEL NORTE DE ESPAÑA was founded in 1879 and has always belonged to the family of the founder. Situated in Haro, it owns 500 hectares of vineyards and produces 80% red wine. It produces 50% of its needs, and sale is 85% in the domestic market and 15% for export. Commercialized under the brands CVNE, VIÑA REAL, IMPERIAL, MONOPOLE, LANCEROS and CORONA.

BODEGA GRANJA REMELLURI, an old estate of the Tonoño Monastery, is situated in Labastida, Rioja Alavesa. The monks used to work 100 hectares of land, farming cereals and vineyards. On the ruins of old monastic buildings, the cellar was reconstructed for the elaboration, aging and bottling of wines from the bodega's own vineyards. The production capacity is always limited to one of the vineyards, 250,000 bottles per year. Commercialized under the brand REMELLURI.

VIÑEDOS DEL CONTINO was founded in 1974 and is situated in Laguardia. It elaborates only its own production. The estate has 62 hectares, with 46 hectares of vineyards which will soon be increased to 56 hectares. Growing fundamentally Tempranillo, plus also Mazuelo and Graciano, it makes only red wine. After fermentation, the wine ages for two years in oak casks and for another two years in the bottle. Commercialized under the brand CONTINO.

NEWS IN BRIEF

U.S. and E.C. Reach Agreement on Spanish Grain

The U.S. and the European Community reached an agreement in January under which the EC agreed to compensate the United States for loss of feed grain sales to Spain resulting from the incorporation of Spain and Portugal into the EC. As a result of the settlement, President Reagan suspended his earlier order which would have imposed 200% punitive duties on various European agricultural products.

Under the terms of the four year agreement, the EC will ensure minimum annual purchases of 2 million metric tons of corn and 300,000 metric tons of sorghum by Spain by means of reduced levy quotas or direct purchases by the EC in world markets. The EC also agreed to drop its requirement that Portugal buy at least 15% of its feed grain imports from other Community members. The EC also agreed to provide additional compensation by means of lower tariffs and additional access for 26 other products, including dried onions, avocados, roasted nuts, grapefruit juice, cranberry juice, plywood, some chemicals, aluminum sheets and silicon wafers. Formal ratification by the 12 members of the Community was expected to be automatic.

Wines of Spain Distributes Over One Million Guides

More than one million copies of a colorful "Wines of Spain Guide" were distributed during the fall to consumers and retailers. The 20-page 4-color booklet is an ideal reference for information on wines from the 26 "Denominaciones de Origen," the major brands from the leading wine-producing areas, and specific types of wines such as Cavas, Sherry and brandy from Jerez.

In 1986 the Guide was delivered directly to consumers through the Sunday *New York Times* and the Thursday food section of the *Chicago Tribune*, for a combined circulation of about one million, as well as the *Friends of Wine* magazine for Les Amis du Vin members and *The Wine Spectator*.

The guide was also sent directly to a selected list of retailers in major markets, and retailers and restaurateurs have requested quantities of the booklet to include with their own direct mail to customers.

BOOKS

Practical Manual to the European Economic Community

VOLUME 1 — FREE TRADE

By JESUS MARIA BOCCIO
and JOSE MARIA DELGADO

In simple, straightforward language backed by clear, illustrative graphics and tables, Jesús Maria Boccio and José Maria Delgado have created with their *Practical Manual* a first class schematic study of how the European Community works.

Boccio, General Commerce Director of the Junta de Andalucia, and Delgado, a lawyer for the law firm of Baker and MacKenzie, explain the maze of mechanisms and figures used by the EEC with an easy-to-use question and answer format.

This highly organized and detailed work is extremely valuable for business and finance professionals, as well as for anyone who wishes to familiarize him- or herself with the structure and legal dynamics of the Community.

Spanish Furs Fly in New York

Spain's headlong rush toward the top of the fashion world continued last October when Elena Benarroch, Madrid's leading furrier, opened her first international salon on New York's Upper East Side. The gala opening was attended by top business, political and fashion leaders from both Spain and the United States.

Elena Benarroch in 1984 won Spain's prestigious Golden Needle Award, presented annually to her country's leading designer. Famous for handling furs as if they were fabric, she unveiled a fall/winter '87 collection which combined that technique with innovative touches of color. She featured fox, beaver, squirrel and sheared muskrat coats and jackets printed with touches of pale yellow and salmon pink against a background of grey, beige and brown.

SPAIN: "EXCEPTIONAL VALUE FOR YOUR TRAVEL DOLLAR"

(CONTINUED FROM PAGE 10)

and 20th Century Paintings (each on separate levels of the Casón del Buen Retiro), and the Villahermosa Palace—four museums in all.

There are many free concerts, especially during the summer. You can enjoy the world's greatest opera and ballet companies and the finest symphony orchestras at Madrid's Teatro de la Zarzuela and Teatro Real, and in Barcelona's Gran Teatro del Liceo and Palau de la Música Catalana, for as little as $2.30, ranging up to $31 for the best box seats in prime time. At Madrid's lavish Scala Meliá Castilla, dining, dancing and a major nightclub revue can all be enjoyed for $35. Jazz clubs have about a $2 minimum, and you can spend a pleasant evening at a *café concierto*, a "pub" or piano bar, for the cost of whatever you feel like drinking. Movie theaters cost from 75¢ in towns and neighborhoods to $3 on Madrid's Gran Via.

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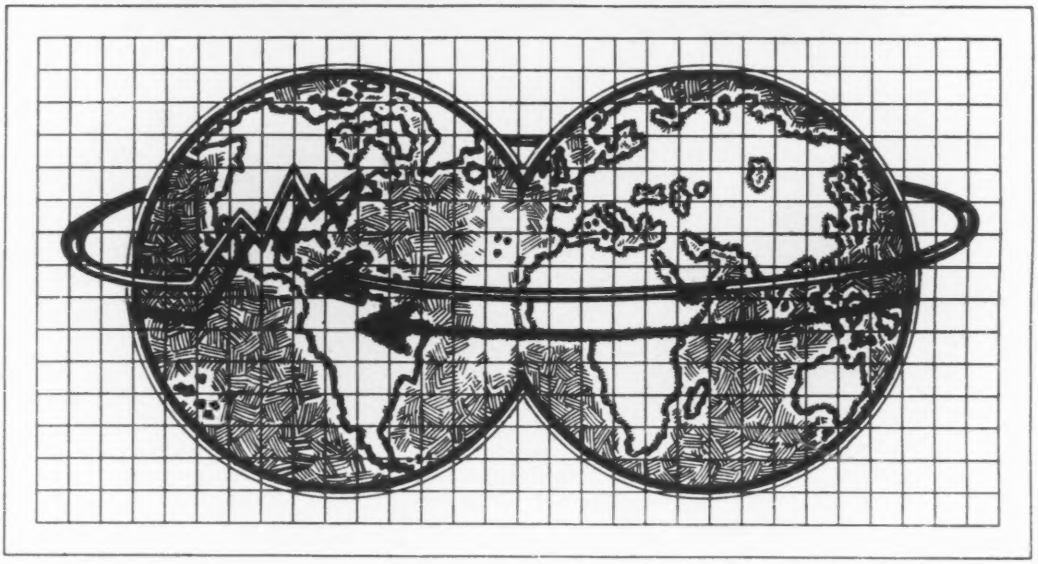

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Business Opportunities

FIRMS IN SPAIN OFFERING PRODUCTS OR SERVICES, OR SEEKING REPRESENTATION

Food products: Spanish firm wishes to establish commercial relations with U.S. companies who want to import pre-cooked products, canned goods and ice cream. Contact: LUIS SUÑER, S.A., P.O. Box 36, Alcira (Valencia); Tels: (96)241-16-00, 241-16-50; Telex: 64028 LUSU-E; Attn: Rafael Jornet Selvi.

Furniture: Spanish firms seeks U.S. clients interested in importing beechwood tables and chairs. Contact: FLORENCIO NAVAS BURGUILLO; San Fernando, 111; Najera (La Rioja); telephone: (factory): 36-07-74; (office): 36-02-67; telex: 37181OCIE.

Movie video cassettes: Opportunity for U.S. company to import from cinemagraphic exporters in Spain; contact: ANTEA FILMS, S.A.; Pintor S. Abril, 5, 4ª; 46005 Valencia; tel: (96) 374-37-62; Attention: Antonio Olcina.

Anchovy fillets in olive oil and anchovy pasta: Spanish co. seeks U.S. representation. Contact: JOSE MARIA CAGIGAS HERRERA; Avenida Carrero Blanco; Edifico Residencia Pasaje; Portal 1 - 1° izqda; Santoña (Cantabria); tel.: (942) 66-01-31; Attn: José María Cagigas.

Men's and women's shoes. Spanish firm seeks representative to make contact with accredited distributors. Contact: ANTONELLI, S.A.; Enslava 154; Apartado de Correos 770; Elche (Alicante); tels: 43-26-66, 43-28-38.

Ovens and baking machinery for bread and pastries: Spanish firm seeks importers. Contact: INDUSTRIAL PANIBERIA, s/n; Esc. 3 Despacho 2; 08023 Barcelona; tels: 218-77-55, 218-75-45; Telex: 93377 TXSE-E Code 047.

Accessories such as belt buckles, buttons, broaches: Spanish firm seeks U.S. importers. Contact: TOT EXPORT; Pujades, 177 1°; 08005 Barcelona; tel.: (93) 300-08-16; Telex: 98476 DITT; Fax: (343) 200-54-88.

Perfumes, creams, deodorants, shampoo, bath gel etc.: Spanish exporter seeks U.S. importers; contact: BRISEIS, S.A.; Verdi, 110 y Marti 1; 08012 Barcelona; tels: 93-218-7837. 93-217-0041; Direct telegram: BRISEIS.

Essential Oils/Fragrance products: Contact: IBERESENCIAS, S.A.; Apartado 210; Gobernador Alonso, 3; 21001 Huelva; Attn: Miguel Salas Hernández; tel.: (55) 258075; Telex: 75655 CIOL E.

Bed linens: Spanish export co. looking for American importers specializing in bed linens. Contact: ITANA, S.L.; Plaza de la Constitución 9; San Juan de Alicante; Tel.: (65) 65-17-01/02; Telex: 68139 MOCI E.

Lighting apparatus, highly technical: Spanish co. seeks consumers or representatives. Contact: José Tobajas, Director Gerente; APLICACIONES ELECTRONICAS INDUSTRIALES, S.L.; Polígono de Coquilada; Calle Alejandro Bell, 13 Aptdo. Correos 5012; 50014 Zaragoza; tel.: (976) 39-91-14.

Knitwear: Spanish firm desires to export to the U.S. Contact: SUMINISTROS DE PUNTO, S.A.; Rda. O'Donnell, 79-81, entlo 3ª; Matoro; Tel: (93) 799-24-61.

Laminating and boiling machinery, crushing devices: Spanish manufacturer seeks U.S. representative. Contact: Javier Mendizabal; GALMEN, S.L.; B Landeta s/n; Azpeitia (Guipúzcoa); Tel.: (943) 81-57-58; Telex: 36228 CAMIN E.

Electronic components. Spanish firm seeking U.S. importer. Contact: Tomas P.Y. Chang; MASTER ELECTRONICA JANGLI, S.L.; Olivos de Peñanevada, 5-7 A; 28937 Mostoles (Madrid); Tels: (91) 645-56-22, 645-96-45.

Hand-made gifts, smoking materials. Spanish firm seeking U.S. representative. Contact: Vicente Torices; EXCLUSIVAS CASTILLA; P.O. Box 543; 47080 Valladoiid; tel.: 35-77-76; Telex: 26219 GECS.

Marble slabs, boards, tiles: Spanish marble co. seeks importers. Contact: José Luis Amoros, Export Sales Mgr; MARBLE FROM SPAIN; Alcalde Manuel Alberola, 30; P.O. Box 216; Novelda (Alicante); tel.: (965) 60-54-88; Telex: 66860 MFSN-E.

Surgical/medical equipment: Spanish co. interested in contacting importers. Contact: INTERMED, S.A.; Cartagena, 64; 28028 Madrid; tels.: (91) 246-10-32, 246-36-31; Telex: 45328 ERME E.

Porcelain tables and lamp bases offered by Spanish company. Contact: LUMINOR; Ctra. Mendelu-Ventas, Aptdo. 76; Fuenterrabia (Guipúzcoa); tels.: (943) 64-24-48, 64-47-82.

Shoes: Spanish company seeking representative in U.S. market. Contact: CREACIONES MIRTO, S.A.; Emilio Muñoz, 57; 28037 Madrid; Attention: J. Gallego.

Tiles, ceramic and marble pavement, other ceramic products: Seeking U.S. importers. Contact: A. Giménez; FOMEXTUR, S.A.; Pasaje Campos Eliseos, 6; 08008 Barcelona; Telex: 99630 FMTR E.

Lawn furniture: Spanish co. seeks U.S. importers. Contact: Rosa Cualaado; COMERCIAL RAAL, S.A.; Apartado 12.046; 46080 Valencia; tel.: (96) 361-22-08.

Cigarette filter: Spanish firm hopes to introduce to U.S. market a chemical specially developed for incorporation into conventional cigarette filters which eliminates most of the harmful substances contained in cigarettes. Contact: E.P.M.; Calvo Sotelo, 8-4 Izda.; 39002 Santander; Telex: 35827 CCISR.

Drapery hardware of high quality: Spanish manufacturer and exporter seeks interested importers in the U.S. Contact: ZUARIS, S.A.; Calle Santa Clara N° 4; 48006 Bilbao, tel.: (4) 411-74-11; Telex: 32182-32783 ZUARIS; Representative in U.S.: Cristina Gómez-Zubeldia; 9 Park Place; Darien, CT 06820.

Spanish hair accessory firm looking for representative in U.S. Contact: Luisa Roca, Directora Administración; COLOR DELCIA; Almogavares, 74-76; 08018 Barcelona; tel.: 300-80-11; Telex: 97726 DLCIE.

Petroleum products receiving, storage and distribution: Spanish firm wishes to offer U.S. importers and exporters opportunity to get involved in commercial relations as result of a current surplus. Contact: PRODUCTOS ASFALTICOS, S.A.; Oquendo, 23; 28006 Madrid; Tels.: 262-82-05, 262-51-20; Teleg.: ASFALTOS; Telex: 44.339 PRAS-E; Attention: Director General.

Spanish company specializing in introducing Spanish products into commercial market would like to contact similar U.S. companies for possible collaboration. Also looking for American exporters interested in getting involved with Spain. Contact: MARKET OFFICE GROUP, S.A.; Calle Valencia, 288; Principal; 08007 Barcelona; Tel.: 215-88-74; Telex: 99579 MRKG E.

Furniture: Spanish co. interested in developing commercial relations with American importers-exporters. Contact: Ramón Gómez Díaz, Director General; BARCIMEX, S.A.; Estadio 23-25; 08914 Badalona; tels: (93) 387-13-41, 387-16-54; Telex: 50-821 BCB.

Olive oil: A. BERNAL ROMERO, S.A.; Calle Lorca; 2 El Palmar (Murcia); Tel. (office): 84-10-06, 84-11-28.

Children's and cowboy clothing, sports shirts, sanitary and professional wear: Spanish manufacturer wishes U.S. representation. Contact: BATAS SAN JAVIER; Av. A. Española, 32 - Aptdo. 18; San Javier (Murcia); Telephones: (968) 571295 - 571404.

Professional assistance in legal, fiscal, financial market in Spain. Contact: INTERNATIONAL VENTURE CONSULTANTS, S.A.; Felix Boix, 18; 28036 Madrid, Spain; tel. 150.69.05; telex: 22056/44247; telefax: 457.53.72.

Brass and iron curtain rings: Exporter interested in developing commercial relations in the U.S. Contact: ESTAM, S.A.; Calle Manlleu, 1; Torell (Barcelona); tels: 859-00-51 or 859-08-89; Telex: 531 74.

SPANISH FIRMS SEEKING U.S. PRODUCTS

Synthetic or semi-precious stones; jewelry and watches: J.C. Gateault; MARTIN LANUZA, S.A.; Calle Llacuna, 18; 08005 Barcelona.

Carrilon brand-name clocks: Naty Huesa; MUEBLES PIFERRER, S.A.; Artesans, 2; La Garriga (Barcelona); Tel: (93)871-47-85.

Gift articles of glass, ceramics, porcelain and wood. Spanish company looked for interested Americans who wish to export to Spain. Contact: OLGA MERCADÉ; Felipe de Paz, 26, Pral; 08028 Barcelona.

Ink for photocopy machines. Spanish firm wishes to contact U.S. company that can export this product to Spain. Interested only in Canon and Minolta products. Contact: TECNISA; P° Santa María de la Cabeza, 102; 28019 Madrid; Tels: 469-14-02 and 260-06-04.

Pharmaceutical products. Spanish pharmaceutical co. interested in collaborating with U.S. companies who will present and export pharmacy products. Contact: IBERFARMA, S.A.; Conde Borrel, 180; Entl. 1/; 08015 Barcelona; Tel: 323-33-57; Telex: 97.516 TALR.

Denim pants and clothing. Contact: Sr.D. A. Cortegiani; TOP, S.A.; Calle Enrique Granados, 99, 1-2; 08008 Barcelona.

Oportunidades Comerciales

U.S. FIRMS SEEKING AND OFFERING SERVICES OR REPRESENTATION

Home care maintenance, personal toiletries, colognes, high fashion cosmetics: Very successful U.S. company expanding to Spain in June offers ground floor opportunity and chance to be involved with a company growing rapidly around the world. We are seeking people to form a product marketing and distribution network throughout Spain. Our headquarters will be in Barcelona, but we can ship anywhere in Spain. All products are attractively packaged and priced.

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Máquinas envasadoras y dosificadoras: Compañia americana ofrece sus servicios para representar compañia española. Contactar: Howard S. Levine, Vice Pres./Marketing; VIATECH, INC.; 60 Arch St.; Greenwich, Connecticut 06830; Tel: (203) 629-2352; Telex: 275352 OSGRC UR.

Maquetas: Profesional americano busca fabricante española con el minimo de 10 pewrsonas que tiene experiencia y puede comprender la lengua técnica en inglès. Contactar: STEFAN A. BLOOM PROFESSIONAL; 45 Garden St.; Morristown, NJ 07960; Tel: (201) 267-0033.

Lámparas y araña de luces. Compañia americana ofrece sus servicios para representar compañia española. Contactar: Sonny Weiner; SONRAY SALES DIV., BEEWEE CORP.; 500 Airport Executive Park; Spring Valley, NY 10977; Tel: (914)356-4442 or(212) 725-9890; Telex: 926007-SONRAY SPVY.

Import-Export. Compañia american de importación desea establecer relaciones comerciales con compañias de exportación en España. Contactar: Ms. T.A. Scheufler, Representative; SIMON & WILDE IMPORTS; P.O. Box 467; Castalia, Ohio 44824; Tel: (419) 684-9988.

Import-Export. Empresa americana ofrece servicios de apoyo a la gestión comercial de empresas españolas con interés en importar/exportar a los EE.UU. Contactar: Daniel Gardner, Account Exec., GOMEZ/WORLD EXPRESS, INC.; P.O. Box 489; East Boston, MA 02128; Tel: (617)569-4020; Telex: 940-318.

Import-Export. Compañia americana de comercio tiene interés en promover importación a los Estados Unidos. Empresas interesadas pueden contactar: Wesley Crosson, Jr. Director; B.L. CROSSON TRADING CO.; P.O. Box 974; West Covina, California 91790; Tel: (818) 338-1381.

Textiles, articulos de regalo, lámparas, y flores de seda. Compañia americana de importación interesada en la representación de fabricantes. Contactar: Robert Brosnan; 11716 Pleasant Ridge Road, Suite 2005; Little Rock, Arkansas 72212.

Plantas de jardineria, indicadores de temperatura, etc. Compañia americana quiere establecer relaciones comerciales con firma española que puede exportar. Contactar: P.J. Pinel; MAINLY PLANTS; High Acres; Marlboro, Maine 04605; Tel. (207)667-4700.

Jewelry, small gift items, religious articles and items: Three import companies in the Atlanta, Georgia, area of southeast United States are interested in catalogs, prices and samples from Spanish companies. Contact: D.A. BURNETTE, 1160 Windsor Parkway No. 5; Atlanta, GA 30319.

Pelotas de tenis: Notable compañia americana quiere vender su patente de pelotas de tenis a una compañia responsable en España. Contactar: Robert S. Feinberg, Co-Chairman; EDGEROY CO.; Box 495; Ridgefield, NJ 07657; Tel: (201) 947-1432.

Import-Export. Compañia americana quiere establecer relaciónes comerciales con compañias de importación. Contactar: Walter D. Merritt, President; MERRITT CORP. OF THE USA; RFD 3—Box 388; Bedford, Virginia 24523; Tel: (703) 297-6868.

Productos españoles: Empresa comercial americana interesada en la representación de empresas fabricantes de productos españoles. Contactar: J.L. Clark, President; CLARK ENTERPRISES; 3516 West 80 St.; Inglewood, California 90305; Tel: (213)758-2274; Telex: 664346 CLARKENTINW UD; Cable: DELORE.

Foodstuffs industry: Executive with 20 years experience in import/export foodstuffs seeks Spanish exporter interested in opening U.S. office. Will organize and manage office and sell to U.S. market. Contact: J. ALBANESE, 301 East 48 Street; New York, NY 10017.

U.S. FIRMS SEEKING SPANISH PRODUCTS

Muñecas de tela, porcelana y plástica. M.H. Rana; ANN RANA ORIGINALS; 1900 Mt. Zion Drive; Goldon, Colorado 80401; Tel: (303) 278-1845.

Zumo de uva, manzana, pera y naranja; John E. Bardenheier, President; SERRA MISSIONS CORP.; 12 Rolling Rock Lane; St. Louis, Missouri 63124.

Cajas de música y estuches para joyas. Renee Milgrom; LUCIEN PICCARD/ARNEX; 493 Washington Ave.; Carlstadt, NJ 07072; Tels: (201)935-2200, (212)575-9500; Telex: 642632.

Bolsos de piel. Sunhi Shin, Import Manager; SONIA IMPORT; 484 Hawkins Ave.; Lake Ronkonkoma, NY 11779; Tel: (516)981-2140; (516) 467-9756.

Cubiertos y menaje de cocina de acero inoxidable: Susan F. Amar; WESLEY INTERNATIONAL INC.; 3304 Arizona Ave; Norfolk, Virginia 23513; Tel: (804)857-7594; Telex: 8987283 WSLYNFK.

Cinturones para señora y hebillas para cinturones: Herbert Lieberman; C & M LEATHER GOODS CO.; 450 Austin Place; Bronx, NY 10455.

Horcas de madera: Margaret Cook, Buyer; WILESWOOD, INC.; 1401 Huron-Avery Road; Huron, Ohio 44839; Tel: (419) 433-3355.

Productos de acero y alambre: Jo Ellen Seik, Information Specialist; SENCO PRODUCTS, INC.; 8485 Broadwell Road; Cincinnati, Ohio 45244; Tel: (513) 388-2000.

Articulos atléticos: D.B. BAHRMAN; Import/Export; P.O. Box 386; So. Popular Douglass, Kansas 67039.

Muñecas: Yasmine Marca; FINDERS INTERNATIONAL TRADE; P.O. Box 31392; Aurora, Colorado 80041.

Juguetes, joyas, articulos de regalo y souvenirs: Elizabeth Beaty, Marketing Manager; PACIFIC INTERNATIONAL ENTERPRISES; P.O. Box 4690; San Clemente, California 92672.

Boinas y discos: Benito Barreiro; 165 Christopher Street, Apt. 6T; New York, NY 10014.

Libros: Kenneth A. Miller; ELEPHANT BOOK CO.; P.O. Box 77075; Sterling Heights, Michigan 48077-0075.

Articulos de regalo: Joyce Morrison, President; ANDEE ENTERPRISES; 8420 East 56th St., Kansas City, Missouri 64129.

Piel de oveja: Harvey Epstein; MANGLO INTERNATIONAL USA, Inc.; 350 Fifth Ave.; New York,NY 10017.

Articulos de madera/articulos de regalo: Donna Wentland; M & M IMPORT; 1555 Oakes Street; Marinette, Wisconsin 54143.

Ropa de algodón: Stan St. Francis, Account Executive; SIX CONTINENTS LTD.; 1441 Broadway; New York,NY 10018.

Muebles y alfombras anudadas a mano: Josh Feldstein, President; INTERCONTINENTAL ARTWORKS, INC.; 4001 Newberry Road, Suite E-3; Gainsville, Florida 32607.

Muebles de todo tipo: Manuel Tirado; 1385 York Avenue, Apt. 5A; New York, NY 10021.

Bolsos, maletas, mantelerias, y menaje de cocina: Gerson Giesberg; C & G CO.; 115 West 30th St., Rm. 611; New York, NY 10001.

Muebles de madera y de estilo rústico español: Daniel J. Kenny Jr., President; D.J. KENNY WHOLESALE DIST.; P.O. Box 966; Bound Brook, NJ 08805.

Articulos domésticos, aparatos eléctricos, ropa, medias, cosméticos y zapatos: Karim Y. Sayed, General Manager; Y & S WHOLESALER; 5303 Eighth Ave.; Brooklyn, NY 11220.

Bolsos, zapatos y cinturones de piel: Tony Biafora; DESAMBIA CORP.; 144-30 27th Ave.; Flushing, NY 11354.

Belenes y figuras para belenes: Joseph Ubaghs; CONTINENTAL NOVELTIES; 93-24 239th Street; Bellerose, NY 11426.

Azulejos decorativos: Virginia Nicholson; 7509 N.W. Kerns Rd.; Kansas City, MO 64152.

Articulos de regalo: James Ide; IDE IMPORT-EXPORT CO., Box 64428; Chicago, IL 60664.

Muebles de madera, mimbre y bambu; articulos cerámicos y porcelana: Charles Martin; VENTURE IMPORTS; 103 Candy Mountain Road; Birmingham, Alabama 35217; Tel: (205) 838-2566.

Ropa de niños y zapatos para niños: F. Fernández; 33 Twin Falls Road; Berkeley Heights, NJ 07922.

España, bajo el paraguas comunitario

Por ANGEL GOMEZ FUENTES

Durante las negociaciones de adhesión de España a la Comunidad Económica Europea, un negociador comunitario le dijo al representante español: "No entiendo cómo quieren Vdes. entrar en la Comunidad, que está ahora mismo en crisis, que es una casa llena de goteras". El negociador español le respondió: "Si, es verdad que la Comunidad tiene problemas y está llena de goteras, pero es que fuera está diluviando".

Esta anécdota, contada por el presidente del Gobierno español, Felipe González, en entrevista concedida para un libro mio de reciente publicación (*"ASI CAMBIARA ESPAÑA. La batalla del Mercado Común"*. Editorial Plaza & Janés), refleja la importancia que para España tiene su ingreso en la Comunidad.

Durante muchos años, por diversas circunstancias históricas, la Comunidad Europea ha constituido, en la imaginación de muchos españoles, casi un paraiso en el que desaparecerian muchos de nuestros males. La gran mayoria de los españoles estabamos de acuerdo en que era preciso alcanzar ese objetivo y que no habia otra alternativa. Sin embargo, cuando ha transcurrido poco más de un año desde nuestra entrada en la Comunidad, en buena parte de la sociedad española hay un cierto desánimo al comprobar que muchos de esos males no se resuelven tampoco con la entrada en el Mercado Común. Esta situación de descontento, y también de desesperanza para muchos, se refleja en la gran conflictividad social que últimamente está registrandose en España. Pero la respuesta o la satisfacción a esa demanda de la sociedad española será más fácil al estar asociados, a los paises que, a pesar de la crisis, trabajan en común para construir una Comunidad Europea sólidamente estructurada en lo económico, en lo social y en lo politico.

Precisamente, la Comunidad Europea celebraba con júbilo el pasado dia 25 de marzo un dia importante: el 30° aniversario de la firma del Tratado de Roma, origen del proceso histórico hacia la unidad politica y económica en que está embarcado el viejo continente. Es buena, por tanto, la ocasión para hacer un breve balance del camino recorrido por España durante los 15 meses de su experiencia comunitaria y recordar el gran objetivo que hoy tiene planteada la Comunidad.

Para España, su primer año en el Mercado Común ha sido bastante menos traumático de lo que muchos temian. El aspecto más negativo ha sido que el comercio español con la Europa comunitaria ha registrado un importante déficit, lo que ocurria por primera vez desde hace cinco años. Era algo previsto, teniendo en cuenta el progresivo desarme arancelario que España ha tenido que realizar al entrar en la Comunidad. Pero, al mismo tiempo, algunos de los beneficios de la adhesión han comenzado a advertirse también de forma inmediata. España, por ejemplo, se está convirtiendo en la plataforma para inversores extranjeros, que hacen de nuestro pais la cabeza de puente para penetrar en Europa. Una de las razones que han motivado a muchos inversores a instalarse en España es el bajo coste de mano de obra, lo que supone una gran baza para competir en el mercado europeo. Tampoco puede olvidarse las grandes facilidades que da el Gobierno español a los inversores extranjeros, lo que explica también el gran auge de la inversión en España.

Por otro lado, el primer año de permanencia de España en la CEE ha estado marcado por un acontecimiento importante en la vida comunitaria: los doce paises miembros han decidido impulsar el gran proyecto de lograr un mercado único en Europa en 1992, fecha en que finaliza el periodo transitorio en materia aduanera para España. La Comunidad se ha convertido ya en la primera potencia comercial del mundo: sus 320 millones de habitantes cuentan con un 22 por 100 del PNB mundial y el 31 por 100 del comercio de todo el mundo. Pero los europeos tienen ya la mirada puesta en el año 1992, porque entonces la Europa comunitaria será algo más que un mercado. Habrá una Europa sin fronteras y muchos europeos empezarán a sentir que puede hacerse realidad la unidad politica de Europa. No es fácil apreciar, cuando las discusiones se centran en hortalizas, leche, cerdos, naranjas y cereales, que el objetivo de la Comunidad es la unidad europea. Esos intereses han creado la idea de una Europa de los mercaderes. Sin embargo, la unidad europea es una realidad que empieza a forjarse cuando nos encontramos a las puertas del siglo XXI, a pesar de que algunos viejos entusiasmos europeos se hayan enfriado y no alcancen los altos ideales de Monet, Schuman, Spaak o Adenauer, padres de la actual Comunidad. Ellos deseaban una unidad politica que tuviera capacidad de decisión propia frente a la politica de bloques, cuya estrategia ya estaba diseñada.

Curiosamente, cuando esos ideales de construcción de Europa se han apagado un tanto, todos los medios informativos europeos destacaron que el ingreso de España en la Comunidad supondria una buena y necesaria inyección de vitalidad, una sangre nueva para imprimir mayor impulso y velocidad al vacilante corazón comunitario. Los hechos así lo demuestran. España ha apoyado con singular firmeza y desde luego con más entusiasmo que otros paises miembros, la creación del mercado único en Europa para el año 1992, lo que exigirá cambios muy profundos en la Comunidad.

La tarea es apasionante, porque los europeos han de hacer realidad que Europa sea, como decia José Ortega y Gasset, un enjambre de abejas volando todas en la misma dirección. El gran objetivo es lograr algun dia la unidad europea. Sin duda, el camino que aún falta por recorrer será largo y lleno de dificultades. Pero merecerá la pena llegar hasta el final.

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